1. About GAAM

Established in 1997, Grand Alliance Asset Management Limited ("**GAAM**", "**we**", or the "**firm**") is based in Hong Kong and is licensed by the Securities and Futures Commission of Hong Kong to carry out investment advisory and asset management activities. GAAM is also a U.S. Securities and Exchange Commission registered investment adviser. We focus on investing in the public equity markets across all sectors and market capitalizations and are staffed with a team of investment professionals who have amassed extensive experience and insights on global themes – which allow them to form differentiated views on the international sectors and companies that they cover.

At GAAM, we are committed to Responsible Investment ("**RI**") and integrating such considerations into our investment process and across the firm. We are signatories of UN PRI ('20), SBAI ('21), HKGFA ('21), and PCAF ('22)[1], and believe that incorporating RI supports long term sustainable growth and can help achieve positive value creation in our investments.

The section that follows sets forth GAAM's Financed Emission for PCAF's first mandatory Reporting Period (as described below), calculated in accordance with the 2nd Edition of "the Global GHG Accounting and Reporting Standard Part A: Financed Emissions" published by PCAF ("**PCAF Financed Emissions Standard**") and by reference to the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard ("**GHG Protocol**").

2. GAAM's Financed Emissions FY25

- **Reporting Period:** Fiscal year ("**FY**") 2025 (from 1 January 2025 to 31 December 2025)

- **Reporting Scope:** Net long and short exposure of GAAM-managed private funds (the "Funds") during the Reporting Period, which run market neutral equity and equity long-short strategies, respectively.

- **Accounting and Reporting Approach Used:** Financial control consolidation approach, in line with PCAF Financed Emissions Standard and the GHG Protocol, to account for financed emissions proportionally to the Funds' investment amount in each portfolio company.

- **Portfolio Asset Class & Percentage Coverage in Financed Emissions Calculation:**

Asset class	Percentage coverage in financed emissions calculation
Listed Equities	100%
Equity derivatives	100% (As the underlying assets of the derivatives are listed equities, their market values are used in the calculation, and the positions are treated as listed equities for simplicity; derivatives used are futures and swaps)

The two asset classes collectively represent 100% of the Funds' portfolio

[1] UN PRI – United Nations Principles for Responsible Investment, SBAI – Standards Board for Alternative Investments, HKGFA – Hong Kong Green Finance Association, PCAF – Partnership for Carbon Accounting Financials

- **Consolidated financed emissions as of FY2025 (Portfolio Level & Sector Level)**

	Absolute financed emissions		Carbon footprint		Weighted data quality score	
	Scope 1 & 2 (tCO2e)	Scope 3 (tCO2e)	Scope 1 & 2 (tCO2e/USDmn)	Scope 1-3 (tCO2e/USDmn)	Scope 1 & 2	Scope 3
Financed emissions at portfolio level						
Net Long	55,243.91	133,006.52	84.98	289.59	2.43	3.65
Net Short	-46,589.52	-552,069.05	-71.67	-920.93		
Total Net	8,654.40	-419,062.53	13.31	-631.34		
Financed emissions at sector level (mandatory sectors outlined by PCAF Financed Emissions Standard) [2] [3]						
Energy	-3,788.40	-27,441.35	-274.36	-3,756.70		
Power	-2,566.86	-7,055.67	-226.80	-643.36		
Cement	-9,225.87	-1,166.50	-124.04	-153.73		
Steel	-5,219.13	-12,198.39	-102.25	-912.94		
Automotive	500.15	12,232.33	-20.78	-408.49		

3. GAAM's Baseline Recalculation Approach

GAAM is committed to maintaining the consistency, comparability, and accuracy of its financed emissions measurements. To that end, we recognize the need to revise our base year emissions inventory and measurement to account for significant changes (with specific reference to the significance threshold described below).

Base Year Selection and Measurement

Guided by the GHG Protocol, GAAM has designated fiscal year 2022 as its base year, representing the earliest point at which we initiated portfolio carbon footprint calculations. We apply the fixed base year principle as recommended by the GHG Protocol, unless specific circumstances otherwise necessitate a revision to our approach.

GAAM has established key financed emissions metrics for the base year and for ongoing measurement in accordance with the PCAF Financed Emissions Standard. These metrics serve as benchmarks for systematically tracking, analyzing, and assessing our portfolio's emissions performance over time, as described in Section 2 of this disclosure report headed "*GAAM's Financed Emissions FY25"*.

Recalculation Trigger Events and Significance Threshold

GAAM will recalculate its base year financed emissions and revise its data inventory when significant changes result in a deviation of +/-10% or more in the Carbon Footprint (expressed in tCO2e/USDmn) for Scope 1 and Scope 2 emissions (Given the evolving accuracy and availability of Scope 3 emission data—with sector-specific

[2] For the purpose of this disclosure report, we adopted a two-step approach:
1) first mapped the emission-intensive sectors outlined by the PCAF Financed Emissions Standard to our portfolio companies based on their respective principal business activities anchoring on the Global Industry Classification Standard (GICS); and
2) aggregated the emissions data of the portfolio companies (based on the categorizations derived in Step 1 above) at the sector level to report the above financed emissions disclosures to align with the PCAF Financed Emissions Standard on best efforts basis,

[3] The negative financed emissions values are primarily driven by the Funds' net short exposure to the emission-intensive sectors outlined by the PCAF.

and source-dependent variations noted by PCAF—the use of a fixed threshold may not accurately reflect absolute changes in the Funds' financed emissions). Such changes may include, but are not limited to, the following:

- **Methodology Changes:** Major revisions to GAAM's portfolio carbon footprint calculation methodology or changes in the primary data provider's estimation methodology that materially impact measurement outcomes.

- **Change in Data Sources:** Replacements of primary data sources or data providers that result in material data inconsistencies across reporting periods.

- **Data Errors or Corrections:** Identification of significant errors or cumulative inaccuracies that materially affect baseline emissions.

As specified by the GHG Protocol, recalculations are not required for changes arising solely from portfolio composition/strategy changes or organic organisational growth/decline among portfolio companies. Where appropriate, GAAM may also conduct recalculations for deviations below the +/-10% threshold if the underlying changes are deemed materially relevant to emissions tracking, reporting, or pertain to RI-related initiatives.

Timing of Recalculation

Baseline recalculations will be re-reviewed and, where applicable, recalculated at the end of each reporting year to ensure systematic integration of material changes identified during the period are appropriately reflected.