

ACATIS FAIR VALUE SPECIAL

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ACATIS Investment neutralises CO2 emissions for first funds

Pilot project now launched with CAP2 after one year of development work

ACATIS is the first fund company in Germany to completely neutralise greenhouse gas emissions in selected funds. Further funds will follow. The only sure way to reduce CO2 emissions in the future is to retire official European CO2 emission rights (European Allowances (EUAs)). This is because with fewer emission rights available, it is mandatory for companies to cut CO2 emissions. Emissions can thus no longer be released into the atmosphere. Simply buying and holding EUAs in a portfolio does not really serve climate protection, as the rights will be sold again at some point and used to legitimise emissions. After a year of development work, the company CAP2 has developed a cost-effective concept for reducing greenhouse gases, which ACATIS Investment has now implemented in two investment funds as a pilot project in August 2022. "As far as we know, we are the first to use this concept, and it is absolutely revolutionary because it allows us to make our investment funds completely, effectively and inexpensively climate neutral," says Dr Hendrik Leber, Managing Partner of ACATIS Investment.

The procedure

CAP2 uses a fund's emissions data to calculate the portfolio's carbon footprint. ACATIS then buys as many decarbonisation notes developed by an investment bank for the fund so that exactly twice the amount of emissions are covered. One half of the European CO2 emission rights are donated to the non-profit climate protection

foundation Climate Concept Foundation over a period of five years. Under the control of CAP2 and the foundation supervisory authority, Hamburg-based Climate Concept Foundation sets aside these donated emission rights forever. In this way, the emission rights are effectively and actually withdrawn from CO2 emissions trading and emission reductions of the same amount are enforced. All emissions for which the shareholder is responsible in their role as owner of the companies held are capped in this way, i.e. neutralised by forced savings elsewhere. The ACATIS investment portfolio thus becomes climate-neutral, as it were.

The second half of the emission rights remain in the decarbonisation note and is supposed to compensate for the costs of decommissioning through price increases over a period of five years. Due to the steady shortage of European emission rights, a price increase of emission rights seems more than plausible - an impact that everyone would like to see!

The first decarbonisation notes were purchased in August for the ACATIS Aktien Global Fonds and the ACATIS Fair Value Modulor Vermögensverwaltungsfonds. ACATIS aims to implement this concept for the majority of its funds.

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