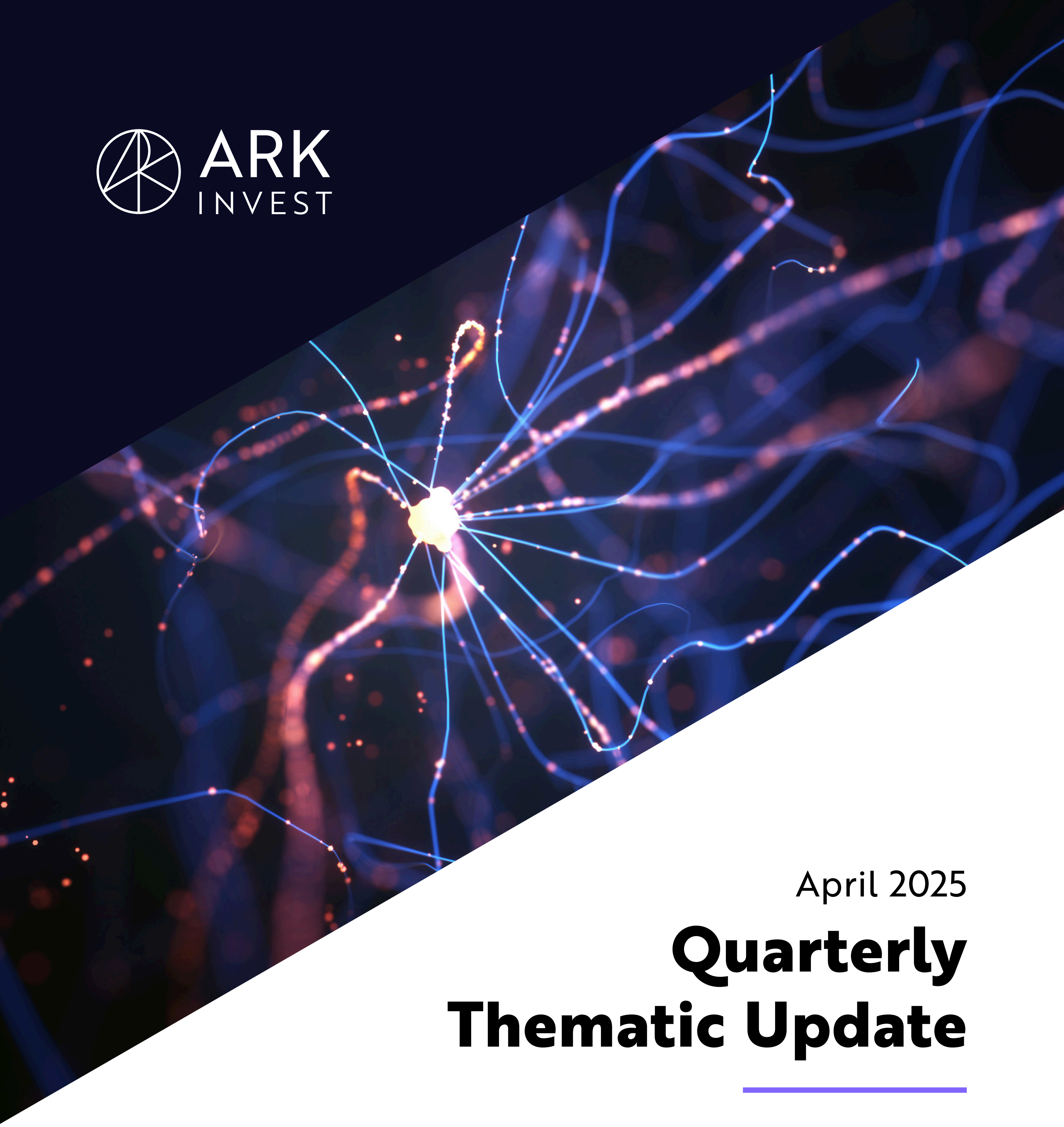

April 2025

Quarterly Thematic Update

Invest On The Right Side Of Change

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I. Introduction

At ARK Invest Europe, our mission is to help investors invest on the right side of change. As part of that commitment, we publish this Quarterly Thematic Update to share timely insights, highlight emerging opportunities, and support investors in their ongoing research and investment decisions. With markets evolving rapidly and innovation accelerating across sectors, we aim to provide clarity and perspective on the trends that matter most.

In this issue, we begin with a macroeconomic update from Cathie Wood that outlines the key forces impacting global markets. We then turn our attention to European thematic ETF flows in Q1 2025, highlighting shifts in investor sentiment and capital allocation. We also spotlight two themes we believe are particularly well-positioned for long-term growth: sustainable infrastructure and disruptive innovation. Finally, we provide ETF-specific performance highlights and commentary across our full range of strategies, spanning areas such as innovation, artificial intelligence, genomics, cybersecurity, sustainable infrastructure, environmental impact, sustainable food, and circular economy.

Whether you're seeking resilience during market volatility or aiming to align your portfolio with the forces reshaping the global economy, this thematic update provides the insights and tools to help you stay ahead of the curve.

About us

ARK Invest International Ltd ('ARK Invest Europe') is a specialist thematic ETF issuer offering investors access to a unique blend of active and index strategies focused on disruptive innovation and sustainability. Established following the acquisition of Rize ETF in September 2023 by ARK Investment Management LLC, ARK Invest Europe builds on over 40 years of expertise in identifying and investing in innovations that align financial performance with positive global impact.

Through our innovation pillar and the 'ARK' range of ETFs, we focus on companies leading and benefiting from transformative cross-sector innovations, including robotics, energy storage, multi-omic sequencing, artificial intelligence, and blockchain technology. Meanwhile, our sustainability pillar, represented by the 'Rize by ARK Invest' range of ETFs, prioritises investment opportunities that reconcile growth with sustainability, advancing solutions that fuel prosperity while promoting environmental and social progress.

Headquartered in London, United Kingdom, ARK Invest Europe is dedicated to empowering investors with purposeful investment opportunities.

II. Macroeconomic Update

Broad-based global equity indexes ended the quarter lower as a shift in investor sentiment created volatility, tempering early optimism about potential tax cuts and deregulation, including more accommodative policies on mergers and acquisitions. As the quarter progressed, concerns about tighter financial conditions and economic crosscurrents weighed more heavily on markets. In ARK's view, structural policy shifts supporting innovative breakthroughs in autonomous mobility, multiomics, and digital assets should withstand and ultimately overwhelm economic uncertainty and near-term volatility.

Our research suggests that a series of rolling recessions* began in the spring of 2022, when the U.S. Federal Reserve (Fed) tightened monetary policy and raised interest rates by 22-fold in little more than a year. Our research also suggests that a loss of pricing power will force corporations to curb employment, extending the pressure on growth.

That said, technology advancements could play an outsized role in pulling the economy out of the rolling recession, potentially salvaging corporate margins as inflation gives way to deflation in many sectors over the next few years.

In the early days of the pandemic, autos accounted for roughly one-third of the inflation spike. Now, while above historical trend, used car prices have dropped 22% from their peak.[1] That said, in March, auto sales surged to 17.7 million units at an annualized rate—surpassing the 16.2 million expected—perhaps because of pre-emptive buying ahead of anticipated tariffs. In our view, this temporary burst in activity will lead to much lower sales in the second quarter.

Housing metrics like housing starts and affordability also are sending troubling signals. At 4.3 million units, the number of existing home sales is not far above levels last seen during the global financial crisis.[2]

As measured by the National Federation of Independent Business (NFIB), based on expectations of deregulation and lower tax rates after the US presidential election, small business optimism rebounded from levels not seen since the 2008–09 financial crisis but now is backtracking in the wake of renewed economic uncertainty around tariffs.

M2** growth turned negative on a year-over-year basis from December 2022 through March 2024 and, at 3.9%, is still weak by historical standards.

**A type of recession that affects different sectors of the economy at different times, not simultaneously.*
*** M2 is a measure of the U.S. money stock that includes M1 (currency and coins held by the non-bank public, checkable deposits, and travelers' checks) plus savings deposits (including money market deposit accounts), small time deposits under $100,000, and shares in retail money market mutual funds.*

The ratio of the Commodity Research Bureau (CRB) Metals price index to the gold price index has dropped below its lows during the Global Financial Crisis (GFC) in 2008-2009 and the COVID crisis. Until the Fed started raising rates in 2022, the correlation between this ratio and long-term interest rates was high. If this relationship were to revert to normal, interest rates could collapse, or metals prices could rise significantly, or some combination of both. Given the fear associated with a potential tariff war, interest rates are likely to decline more than metals prices will increase.

After a period of historically low high-yield spreads*** suggesting complacency around credit or deflationary risks, spreads have begun to widen noticeably, signalling potential stress in the credit markets.

Signalling recession in July, the employment report triggered the Sahm Rule, as the three-month moving average of the U.S. unemployment rate rose 50 basis points above its lowest point in the last 12 months, historically an indicator that the economy has been in recession for three months.

While the Fed focused on raising interest rates to squelch inflation, the bond market was signalling deeper trouble, as the yield curve inverted from +159 basis points[8] in March 2021 to -108 in July 2023—levels last seen in the early 1980s—only to reverse into a bear steepening phase in 2024, suggesting that both growth and inflation might undershoot expectations.

About The Author

Cathie Wood
Founder, CEO & CIO

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Cathie registered ARK Investment Management LLC ("ARK") as an investment adviser with the U.S. Securities and Exchange Commission in January 2014. With over 40 years of experience identifying and investing in innovation, Cathie founded ARK to focus solely on disruptive innovation while adding new dimensions to research. Through an open approach that cuts across sectors, market capitalizations, and geographies, Cathie believes that ARK can identify large-scale investment opportunities in the public markets resulting from technological innovations centred around DNA sequencing, robotics, artificial intelligence, energy storage, and blockchain technology.

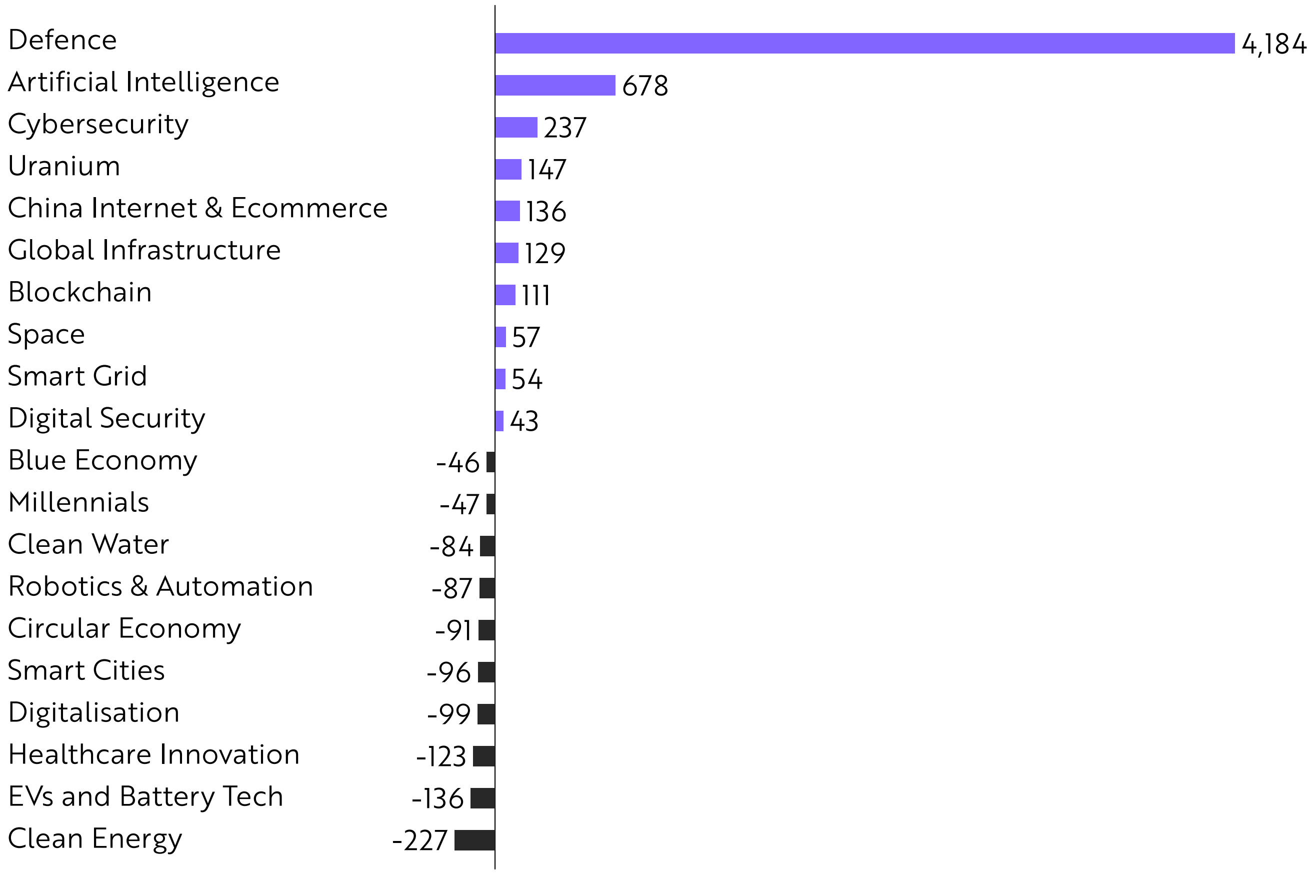
As Chief Investment Officer ("CIO") and Portfolio Manager, Cathie leads the development of ARK's philosophy and investment approach and has ultimate responsibility for investment decisions.

**** High yield spreads represent the difference in yields between high-yield (junk) bonds and safer, investment-grade bonds, reflecting the risk premium investors demand for taking on more credit risk.*

III. Q1 2025 European Thematic ETF Flows

In this section, we break down the biggest developments in European thematic ETFs over the last quarter, from key trends, shifts in investor flows, to anything that sparks curiosity.

Top 10 / Bottom 10 ($USD in millions)



Source: Data from etfbook.com 31.03.2025. Classification based off internal ARK Invest Europe Megatrend Sub Theme Classification.

- **Total thematic net flows for the Q1 2025 period stand at +$4.77 billion**, reinforcing investor conviction in key megatrends. Defence and AI continue to dominate, while cybersecurity, uranium and China internet and ecommerce remain robust performers.

- **Defence ETFs** lead this quarter with **+$4.18 billion** in net flows. Investor positioning in defence remains robust. The demand for next-gen military and aerospace technology continues to attract capital, with defence-tech firms benefiting from increased procurement budgets globally.

- **Artificial Intelligence ETFs** rank second with **+$678 million** in net flows. AI remains the defining technological revolution, with investor appetite fuelled by relentless innovation in large language models, robotics, and autonomous systems.

- **Cybersecurity ETFs** secured the third-highest net flows with **+$237 million**. Investors recognise the sector as an indispensable part of the digital economy, with rising demand for AI-driven security solutions.

- **Uranium ETFs** rank fourth at **+$147 million**, reflecting growing investor interest in the nuclear sector as a potential solution to global energy needs. With the increasing focus on clean energy and energy security, uranium has become an attractive asset class, particularly as demand for nuclear energy continues to rise in countries seeking to reduce their carbon footprints.

- **China Internet & Ecommerce ETFs** rank fifth with **+$136 million**. This marks a noteworthy shift in investor sentiment, particularly as the sector has regained traction after a period of underperformance. The inflows suggest that investors are beginning to see more value in China's digital economy.

- **Clean Energy ETFs** posted the weakest Q1 2025 net flows, with a loss of **-$227 million**. Capital continues to exit clean energy ETFs as investors adjust to a new policy landscape. Investors are redirecting capital toward solutions like nuclear energy, grid modernisation, and energy efficiency, which are less dependent on policy incentives.

- **EV and Battery Tech ETFs** recorded the second-worst net flows at **-$136 million**. Near-term headwinds—ranging from subsidy rollbacks to a cooling demand environment—have weighed on sentiment.

- **Healthcare Innovation ETFs** ranked third-worst with **-$123 million** in net flows. Many healthcare innovation ETFs hold traditional biotech firms facing regulatory and commercialisation challenges. Investors appear to be favouring AI-native platforms over legacy healthcare players.

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Rahul joined ARK in September 2023 following ARK's acquisition of Rize ETF (now ARK Invest Europe), of which he was co-founder and director. Rahul is a managing director and global head of index in Europe as well as director on the board of the ARK Invest UCITS ICAV. An expert strategist in thematic and sustainable investments, Rahul is responsible for spearheading global systematic (self-indexed) strategies, overseeing European UCITS product strategy and implementation, and leading investment research alongside managing our product specialist team. His research focus includes the energy transition, food sustainability, and the digital economy.

Prior to ARK Invest Europe, Rahul served as Co-Head of ETF Investment Strategies at Legal & General Investment Management (LGIM), a platform LGIM acquired from ETF Securities in 2018.

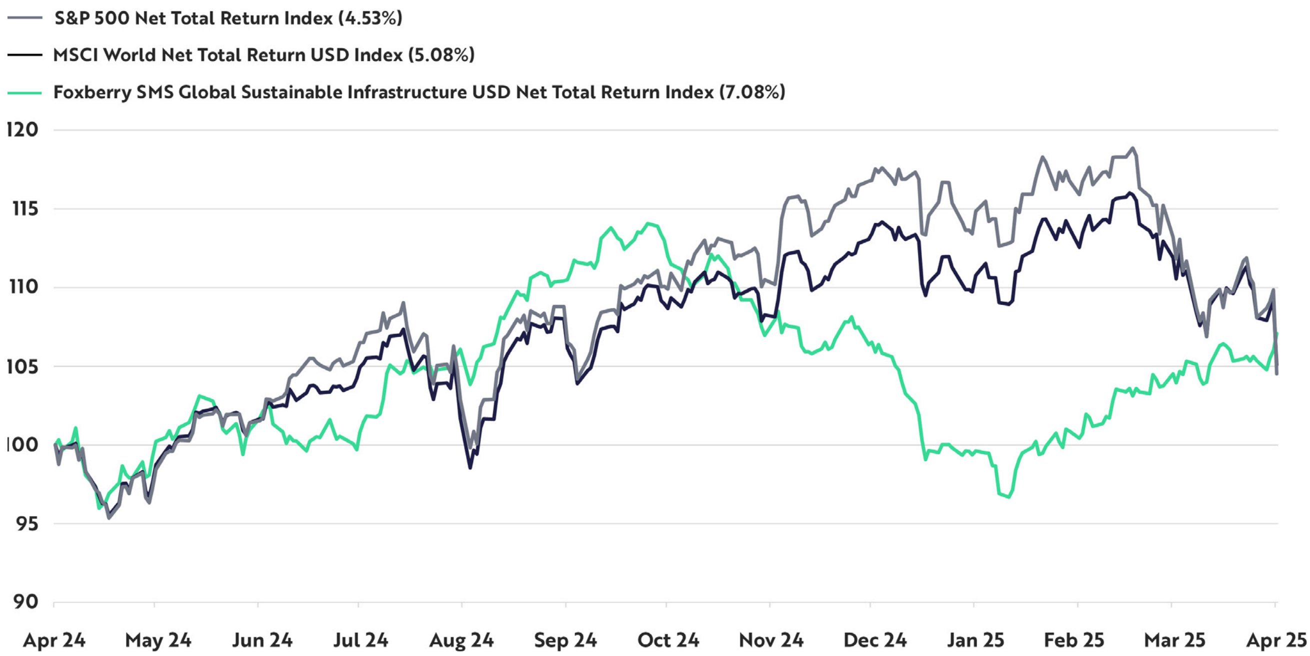
IV. Infrastructure At A Time Of Uncertainty

The landscape for infrastructure investing continues to evolve rapidly. Trump's latest tariff salvos have jolted markets, stoking recession fears and volatility. Paradoxically, this turmoil is creating potential tailwinds – bond yields are falling as investors anticipate central bank support. Lower financing costs and policy shifts could open a new window of opportunity for infrastructure investors.

In this note, we highlight key themes, from trade-induced market dislocations to structural megatrends, that make a compelling case for infrastructure equities now. We also illustrate how the Rize Global Sustainable Infrastructure UCITS ETF ("NFRA") is positioned to capture these dynamics (fossil-free, high dividend, lower beta exposure to sectors like digital infrastructure, energy transition, and transport resilience).

1. Sustainable Infrastructure Shows Resilience: 1 Year Performance

The chart and tables below show the Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index tracked by our ETF ("NFRA"), the MSCI World Net Total Return USD Index and the S&P 500 Net Total Return Index.



Performance Comparison:

	1 Week	MTD	3 Months	YTD	1 Year
Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index	**1.36%**	**2.20%**	**7.48%**	**7.78%**	**7.08%**
MSCI World Net Total Return USD Index	-4.35%	-2.63%	-5.14%	-4.66%	5.08%
S&P 500 Net Total Return Index	-5.20%	-3.83%	-8.98%	-8.42%	4.53%

Volatility Comparison:

	1 Week	MTD	3 Months	YTD	1 Year
Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index	**9.52%**	**10.91%**	**9.89%**	**9.70%**	**9.84%**
MSCI World Net Total Return USD Index	26.42%	32.92%	15.59%	15.23%	12.62%
S&P 500 Net Total Return Index	34.88%	43.55%	18.78%	18.33%	14.78%

Source: Bloomberg, 03 Apr 2024 to 03 Apr 2025. All performance and volatility data is in USD, unless otherwise stated. The performance data shown does not reflect transaction costs and management fees incurred or charged by financial products such as the Rize Global Sustainable Infrastructure UCITS ETF. Please note that the value of an investment and any income taken from it is not guaranteed and can go down as well as up. You may not get back the amount you originally invested. If your investment currency is different to USD, then the return you will get from the investment may increase or decrease as a result of currency fluctuations between USD and your investment currency.

2. Trade War Turbulence

- President Trump's sweeping new import tariffs (10% baseline on all imports, with higher rates on key partners)[3] have shaken global markets and sent shockwaves through the financial world.
- Equities sold off sharply (Nasdaq futures –3.4% in a day) and safe havens like bonds and gold surged.[4]
- Fears are mounting that a broadened trade war could tip the fragile economy toward recession, fuelling talk of a potential Fed pivot amid growing "spiral of doom" concerns.
- In response, bond yields have plummeted; U.S. 10-year Treasury yields fell to ~4%, the biggest drop in 9 months.[5]
- Fed fund futures now price in a higher chance of Fed rate cuts to cushion growth.[6]

→ Why This Benefits Infrastructure

Rapidly falling interest rate expectations are a boon for infrastructure projects and companies. These are capital-intensive businesses that thrive as financing costs decline. If borrowing becomes cheaper due to central banks easing policy, infrastructure developers can refinance and invest in new projects at lower cost, bolstering future returns.

3. Infrastructure As A Safe Haven

- Defensive Cash Flows*:* In uncertain times, investors gravitate toward stable, cash-generating assets. Infrastructure fits the bill: assets like toll roads, airports, cell towers, and utilities deliver essential services that people need regardless of the economic cycle. This reliability translates into steadier revenues and dividends, providing defence in a turbulent market.

- Inflation Pass-Through: A key appeal now – many infrastructure businesses have inflation-linked pricing. If Trump's tariff policies spark a second round of inflation or stagflation concerns (higher import costs), infrastructure revenues can adjust upward. For example, regulated utilities and transport concessions often pass through inflation via rate hikes or toll increases.

- Lower Beta, Higher Yield: Infrastructure equities historically exhibit lower beta than the broader equity market, while offering dividend income. For instance, NFRA's portfolio of global sustainable infrastructure stocks has a beta significantly < 1 (vs MSCI World) and a robust dividend yield ~3–4% (Bloomberg as of close 31 March 2025).

- Diversify Away: The asset class has shown it can diversify away from high-flying tech risk (in 2024, while "Magnificent Seven" tech stocks dominated gains, infrastructure provided a differentiated return stream, helping to diversify concentrated equity exposures).

4. 5-Year Beta To MSCI World

The Foxberry SMS Global Sustainable Infrastructure Index not only exhibits a low beta to the market (MSCI All-Country World Index) compared to traditional infrastructure indices but also commonly used thematic strategies in Europe.

	Index Name	**5-Year Beta To MSCI World**
Fixed Income Benchmark	Bloomberg Global Aggregate Value Unhedged	0.45
Sustainable Infrastructure	**Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index**	**0.79**
Traditional Infrastructure	FTSE Global Core Infrastructure USD Net Total Return Index	0.88
	ECPI Global ESG Infrastructure USD Net Total Return Index	0.78
	Dow Jones Brookfield Global Infrastructure USD Net Total Return Index	0.91
Sustainable Food	Foxberry Tematica Research Sustainable Future of Food USD Net Total Return Index	1.00
Equity Benchmark	MSCI All-Country World Investable Market USD Net Total Return Index	1.00
Clean Water	Solactive Clean Water USD Net Total Return Index	1.04
Cybersecurity	ISE Cyber Security UCITS USD Net Total Return Index	1.04
Healthcare Innovation	ROBO Global Healthcare Technology and Innovation USD Net Total Return Index	1.15
Clean Energy	Solactive Clean Energy USD Net Total Return Index	1.10
Digitisation	STOXX Global Digitalisation USD Net Total Return Index	1.19
Battery Value Chain	Solactive Battery Value-Chain USD Net Total Return Index	1.17
Hydrogen Economy	Solactive Hydrogen Economy USD Net Total Return Index	1.29
Automation & Robotics	STOXX Global Automation & Robotics USD Net Total Return Index	1.23

Source: Bloomberg, 04 April 2025.

5. Secular Super-Cycle: Digital Infrastructure & Energy Transition Boom

We are at the front end of a *multi-decade infrastructure super-cycle* driven by the twin imperatives of decarbonisation and digitalisation. Governments and businesses worldwide are pouring capital into upgrading and expanding infrastructure to meet 21st-century needs.

- Digital Demand Exploding: The digital infrastructure theme is especially powerful in 2025. The rise of AI, cloud computing, and data consumption is fuelling unprecedented demand for data centres, fibre networks, and telecom towers. *Global data centre construction is at record levels* as AI investment surges. Industry projections show the *hyperscale data centre market* quadrupling from ~$163 billion in 2024 to over $600 billion by 2030 (24%+ CAGR)[7] – an astonishing growth trajectory. This translates into huge expenditures on servers, power systems, and real estate, benefiting companies in the digital infrastructure ecosystem (not to mention the spillover: AI computing demand is even reshaping electricity grids, driving massive grid and energy storage investments to power these server farms).

- Energy Transition in Overdrive: At the same time, the global push for *clean energy and climate-resilient infrastructure* is accelerating. Clean energy investment is now outpacing fossil fuel investment by roughly 2-to-1 globally.[8] In 2024, about $2 trillion went into clean tech (renewables, EVs, grids, storage, etc.), versus ~$1 trillion into oil, gas, and coal[9] – a gap that continues to widen.

- Transport & Resilience Upgrades: Traditional infrastructure is being reimagined for resilience. Aging highways, bridges, railways, and ports are getting overhauled with an eye on both capacity and climate adaptation.[10] These initiatives benefit companies involved in construction, engineering, smart mobility technology, and rail/transit operations – many of which are represented in NFRA's portfolio (e.g., rail operators, toll road concession owners, logistics infrastructure firms).

- Onshoring and Supply Chain Realignment: Trade tensions (exemplified by Trump's tariffs) are prompting manufacturers to re-shore or friend-shore production. This industrial realignment requires significant new domestic infrastructure – from expanded manufacturing facilities and logistics hubs to upgraded freight rail and warehousing.

6. Public and Private Investment

- U.S. Private Sector Steps Up: Trump's fiscal pivot toward austerity (cutting government spending, shrinking agencies) means less federal funding for new infrastructure projects. But the need for infrastructure hasn't gone away – if anything, it's growing. As a result, private capital is rushing in to fill the gap. We're seeing robust interest from institutional investors, private equity capital is rushing in to fill the gap. We're seeing robust interest from institutional investors, private equity infrastructure funds, and other non-government sources to finance roads, bridges, broadband,

and energy projects. (For example, the number of public-private partnership proposals is rising at state and local levels, and large asset managers have raised billions specifically for North American infrastructure opportunities.) NFRA's strategy is positioned to capture listed companies benefiting from this influx of private investment. Our ETF tilts towards sectors like cell tower REITs, independent power producers, railroad operators benefiting from private freight demand, etc.).

- Tariffs Fuelling Onshore Investment: Additionally, Trump's tariff policy, while disruptive, could inadvertently turbocharge certain U.S. infrastructure segments. By making imported goods costlier, tariffs encourage domestic manufacturing and resource development. Companies looking to avoid import costs might build new factories or facilities in the U.S., which in turn requires new infrastructure (power, water, transportation) to support them. Similarly, if supply chains reroute to allies (e.g., Mexico or Canada) due to tariffs on China, infrastructure at border crossings, rail links, and trade corridors will need expansion.

- European Big Public Spending Push: Europe is taking the opposite tack: rather than austerity, many European governments are doubling down on fiscal spending for infrastructure (and defence) as a growth strategy. EU leaders have unveiled plans to mobilise up to €800 billion for defence and infrastructure upgrades.[11] This includes everything from traditional transport infrastructure to digital networks and energy systems. The European Commission and member states are relaxing fiscal rules to enable this investment boom.[12] As ECB President Lagarde highlighted in March 2025, these "transformational changes" – massive public outlays on infrastructure – are expected to support growth in the EU. For investors, this means European infrastructure firms (construction companies, renewables developers, rail and utility operators, etc.) have a strong tailwind of government spending and policy support.

- Monetary Policy Divergence Narrows: Six months ago, the transatlantic picture was divergent – the ECB was cutting rates while U.S. rates were still high. Now, with the trade war, the gap is closing. The ECB has continued to trim rates[13] (deposit rate heading towards ~2% by mid-2025) to stimulate its economy, and importantly it remains accommodative given the lower growth forecast (Eurozone 2025 GDP ~0.9%)[14]. In the U.S., markets anticipate Fed cuts if the situation worsens. The bottom line: low or falling interest rates on both sides of the Atlantic are creating a more benign environment for infrastructure finance.

7. Conclusion

We believe NFRA is uniquely positioned to help your clients navigate this environment. We believe the NFRA strategy captures the *income and stability* that are in demand when markets wobble, and the growth themes that excite in a long-term portfolio. It offers a differentiated sustainable infrastructure strategy that avoids the pitfalls of fossil exposure and capitalises on next-gen infrastructure themes. All with the convenience of a single trade. For investors seeking to bolster portfolios against uncertainty while still participating in structural growth, NFRA can be a timely solution.

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Rahul joined ARK in September 2023 following ARK's acquisition of Rize ETF (now ARK Invest Europe), of which he was co-founder and director. Rahul is a managing director and global head of index in Europe as well as director on the board of the ARK Invest UCITS ICAV. An expert strategist in thematic and sustainable investments, Rahul is responsible for spearheading global systematic (self-indexed) strategies, overseeing European UCITS product strategy and implementation, and leading investment research alongside managing our product specialist team. His research focus includes the energy transition, food sustainability, and the digital economy.

Prior to ARK Invest Europe, Rahul served as Co-Head of ETF Investment Strategies at Legal & General Investment Management (LGIM), a platform LGIM acquired from ETF Securities in 2018.

V. Innovation Through Turbulence

While uncertainty swirls around the future of tariffs and global trade policy, one thing is increasingly clear: technological progress driven by disruptive innovation – especially in AI – is advancing at a rapid, undeniable pace. Yet amidst the justified clamour of geopolitical volatility, the transformative potential of disruptive innovation continues to unfold with remarkable consistency and promise.

Importantly, disruptive technologies are becoming increasingly central to economic development; so, should they become increasingly central to a sound investment strategy. The investment opportunities that flow from the magnitude of today's disruptive innovation are often unrecognised or misunderstood by traditional investors and may be heavily discounted due to market uncertainty relating to tariffs. And, as we typically remind our clients: innovation solves problems. Capturing this investment opportunity requires a dedicated focus and deep understanding of technology.

1. Defining Disruptive Innovation

ARK Invest defines disruptive innovation as a process in which breakthrough technologies or business models fundamentally transform industries by displacing established incumbents and creating entirely new markets. Disruptive innovation tends to have key characteristics:

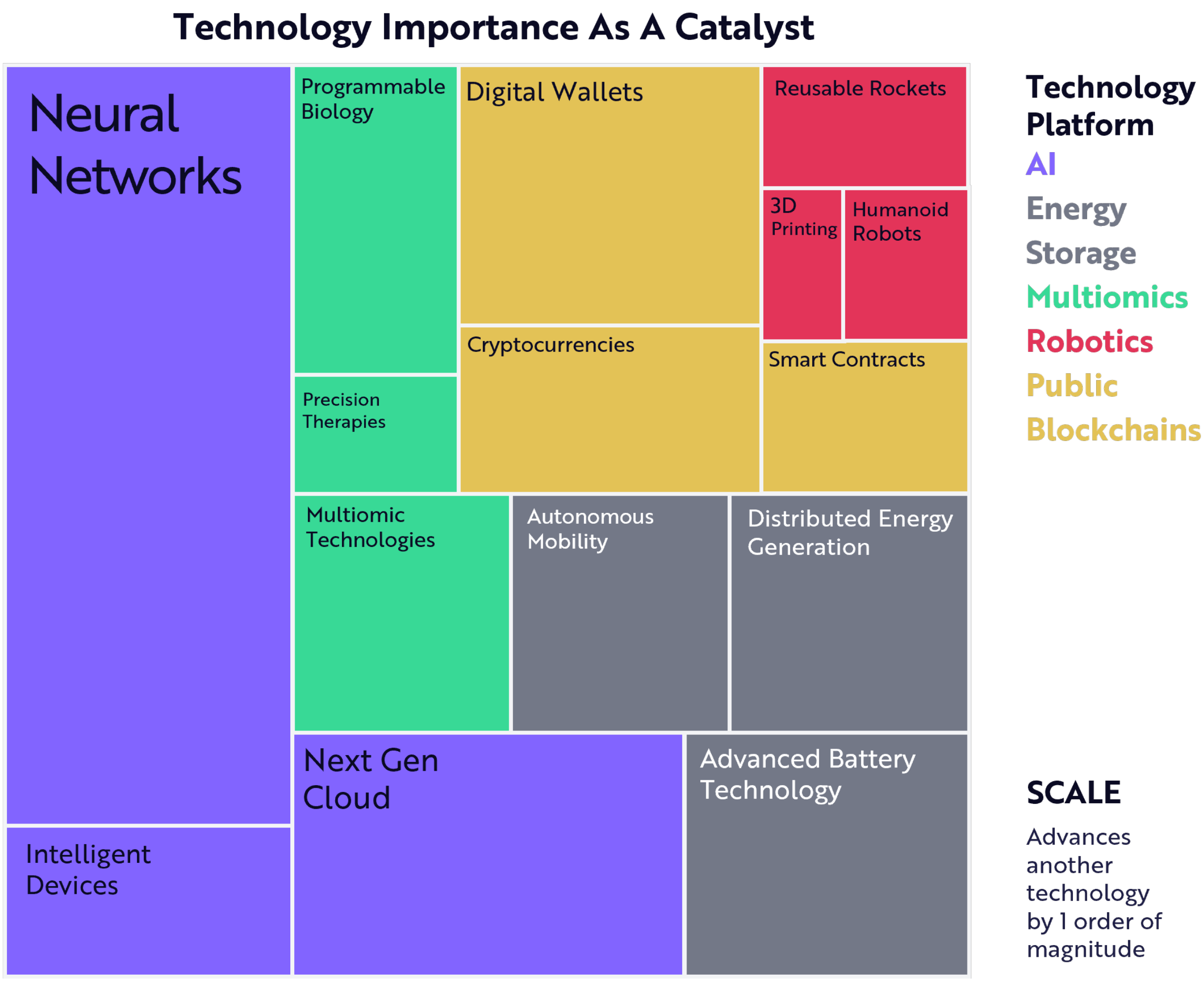
- Market Transformation: It creates new value networks and reshapes existing ones, often rendering older technologies or business models obsolete.
- Exponential Growth Potential: Disruptive innovations are driven by rapid, exponential improvements that lead to significant cost reductions and increased adoption over time.
- Long-Term Impact: While these innovations may initially appear risky or undervalued, they have the potential to drive substantial long-term economic growth by solving problems that traditional approaches cannot.
- Cross-Sector Influence: ARK Invest looks for disruptive technologies that transcend traditional industry boundaries, affecting multiple sectors simultaneously.

ARK Invest often views the innovation ecosystem in three parts: leaders, enablers, and beneficiaries. Each part plays a critical role in shaping the future of industries through disruptive innovation and ARK surfaces investment opportunities in the equity markets across all three areas.

- Leaders: These are the companies driving disruptive innovation with breakthrough technologies and business models.
- Enablers: These firms provide the supporting technologies, platforms, or infrastructure that make disruptive innovations possible.
- Beneficiaries: These are the companies that profit from and capitalize on the widespread adoption of disruptive technologies, even if they aren't the ones creating the innovation themselves.

2. Resultant Technologies

ARK Invest has identified 15 transformative technologies that are approaching tipping points as costs drop, unleashing demand across sectors and geographies and spawning more innovation. These transformative technologies could become critical productivity signposts that future historians might identify. Because the lines between and among different platforms sometimes blur, particularly in this age of convergence, we have bucketed the candidate technologies into five major platforms: artificial intelligence, multiomics, robotics, energy storage, and blockchain technology.

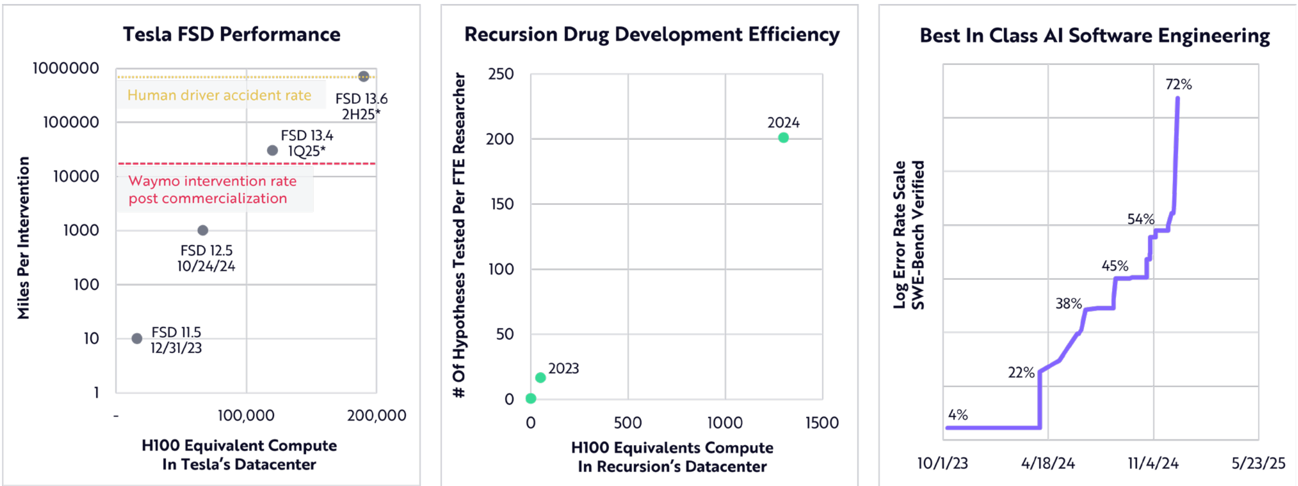


Source: ARK Investment Management LLC, 2025. This ARK analysis draws on a range of external data sources as of December 31, 2024, which may be provided upon request. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security. Past performance is not indicative of future results. Forecasts are inherently limited and cannot be relied upon.

For each of these transformative technologies or innovation platforms, ARK takes a quantitative approach by modelling cost declines, addressable markets, price elasticity of demand, and adoption rates. From these forecasts we can estimate cash flows and ultimately the potential equity market value of each.

3. Convergence Catalyses Exponential Growth

According to ARK's research, the **five innovation platforms are converging to create unprecedented growth trajectories**. Artificial Intelligence (AI) is the most important catalyst, its velocity cascading through all other technologies. The adoption of artificial intelligence should transform every sector, impact every business, and catalyse every innovation platform. For example, as AI continues to accelerate, robotaxis should proliferate, drug development timelines and costs should collapse, and AI agents should solve software engineering challenges autonomously, monitoring and modifying systems around the clock.



**Estimates. Note: "FSD": Full Self-Driving. SWE-bench is a dataset that tests systems' ability to solve GitHub issues automatically. The dataset collects 2,294 Issue-Pull Request pairs from 12 popular Python repositories. Evaluation is performed by unit test verification using post-PR behaviour as the reference solution. See Jiminez et al. 2024. Source: ARK Investment Management LLC, 2025. This ARK analysis draws on a range of external data sources, including Tesla, Recursion, and SWEbench.com, and OpenAI as of December 31, 2024, which may be provided upon request. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security. Past performance is not indicative of future results. Forecasts are inherently limited and cannot be relied upon.*

Every one of the five innovation platforms shares traits common to the fundamental innovations throughout history. Robots are transforming from an automotive-centric technology to ubiquitous devices that most bits-based businesses will deploy. Lithium-ion batteries will power these and other devices, from flying personal vehicles to augmented reality glasses. DNA sequencing costs have fallen more than a million-fold during the past 15 years and will continue to unlock the codes to life and death, while the next class of multi-trillion-dollar global technology networks will be built on top of blockchain technologies. That these technology waves all could crest concurrently presents business leaders and investors with both tremendous opportunity and tremendous peril during the next 10-15 years. The hallmarks of these technologies – rapidly declining unit-costs and -prices impacting many industries and geographies and spawning countless other innovations – stack in such a way that forecasters may underestimate their impact over meaningful time horizons.

4. From 0 To 1

In the spirit of disruptive innovation, ARK Europe's suite of active ETFs has officially gone from 0 to 1 – not just marking their one-year anniversary, but embodying the leap from concept to conviction in the eyes of investors. During a period of intense uncertainty but immense opportunity, the three ETFs have crossed well over $100m in AUM (Bloomberg, as of 31 March 2025) driven by both strategic and tactical allocations from longstanding and new clients. We continue to engage with investors around the material, tangible advancements in technology and how a dedicated position can be formulated during periods of market fear.

About The Author

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Thomas Hartmann-Boyce joined ARK in June 2021. As Client Portfolio Manager, Thomas works directly with ARK's investment team to communicate in-depth knowledge of investment-level detail to internal and external clients.

Prior to ARK, Thomas was Vice President, Lead Portfolio Manager within the multi-asset solutions business at Goldman Sachs Asset Management for over five years where he managed customized portfolios for institutional clients. Prior to joining Goldman Sachs in 2015, Thomas held various client-facing positions at MSCI Inc. over the span of four years, with a key emphasis on business development within the exchange-traded funds team. Thomas is a CFA charterholder, and earned his Bachelor of Arts in International Affairs and Management & Business from Skidmore College.

VI. Our Range of ETFs - Market Commentaries And Performance Highlights

Fund Name	Code	ISIN	AUM ($ million)	MSCI ESG Rating	SFDR Classification	Inception Date
ARK **Genomic Revolution** UCITS ETF	ARKG	IE000O5M6XO1	7.7	BBB	Article 8	12/04/2024
ARK **Artificial Intelligence & Robotics** UCITS ETF	ARKI	IE0003A512E4	50.9	A	Article 8	12/04/2024
ARK **Innovation** UCITS ETF	ARKK	IE000GA3D489	38	BBB	Article 8	12/04/2024
Rize **Cybersecurity and Data Privacy** UCITS ETF	CYBR	IE00BJXRZJ40	109	AA	Article 8	12/02/2020
Rize **Circular Economy Enablers** UCITS ETF	CYCL	IE000RMSPY39	1.4	AA	Article 9	24/05/2023
Rize **Environmental Impact 100** UCITS ETF	LIFE	IE00BLRPRR04	58	A	Article 9	14/07/2021
Rize **Global Sustainable Infrastructure** UCITS ETF	NFRA	IE000PY7F8J9	86.9	A	Article 9	17/08/2023
Rize **Sustainable Future of Food** UCITS ETF	FOOD	IE00BLRPQH31	85.3	A	Article 9	27/08/2020
Rize **USA Environmental Impact** UCITS ETF	LUSA	IE000QUCVEN9	10.3	A	Article 9	17/08/2023

Source: Bloomberg as of close 31 March 2025.

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@Tbarks

Tom Barker, CAIA joined ARK in October 2021. As a Director and Product Specialist, Tom works closely with clients and the sales team to promote an understanding of the ARK product range.

Prior to ARK, Tom was an ETF Product Strategist at Invesco and worked at Jupiter Asset Management as well as holding a Senior Analyst position at alternative assets data provider Preqin. Tom is a CAIA charter holder and a graduate of Newcastle University with a Bachelor of Arts in Economics.

ARKK

ARK INNOVATION UCITS ETF

Market Commentary

Sources: ARK Invest, Bloomberg, March 2025.

Broad-based global equity indexes ended the quarter lower as a shift in investor sentiment created volatility, tempering early optimism about potential tax cuts and deregulation, including more accommodative policies on mergers and acquisitions. As the quarter progressed, concerns about tighter financial conditions and economic crosscurrents weighed more heavily on markets. In ARK's view, structural policy shifts supporting innovative breakthroughs in autonomous mobility, multiomics, and digital assets should withstand and ultimately overwhelm economic uncertainty and near-term volatility.

The convergence between supportive policy shifts and technological innovation should create meaningful investment opportunities. Lower regulatory barriers and increased market incentives should stimulate disruptive innovation and economic growth. ARK Invest remains committed to identifying and supporting innovation leaders. Through our open-source research and investment strategies, we are committed to positioning our investors on the right side of change to participate in one of the most exciting periods in technology and innovation history.

Performance Highlights

Sources: ARK Invest, Bloomberg, March 2025.

The ARK Innovation UCITS ETF returned -15.07% in Q1 2025.

The best performing stock was Tempus AI returning +42.89%.* Shares of Tempus AI Inc contributed to fund performance this quarter after the company announced the national rollout of Olivia, its AI-enabled concierge app designed to assist patients in managing their healthcare more efficiently.

The worst performing stock was Trade Desk returning -53.44%. The company reported fourth-quarter earnings that missed Wall Street expectations for the first time in the history of the company going public. Management also provided weaker-than-expected revenue guidance for the first quarter. CEO Jeff Green acknowledged a series of execution missteps that contributed to the company's lower-than-expected guidance, and he disclosed a strategic reorganization to streamline operations. The company also announced a share buyback program, signalling its confidence in the long-term value of its business. Green emphasized Trade Desk's strong market position and commitment to innovation in the evolving digital advertising landscape.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Tempus AI*	+42.89%	Block	-36.07%
RobinHood Markets	+11.70%	Intellia Therapeutics	-39.02%
Palantir Technologies	+11.60%	10x Genomics	-39.21%
Pinterest	+6.90%	Illumina	-40.63%
Roblox	+0.74%	Trade Desk	-53.44%

**The return for Tempus AI represents an intra-month entry into the portfolio.*

ARKI

ARK ARTIFICIAL INTELLIGENCE & ROBOTICS UCITS ETF

Market Commentary

Source: ARK Invest, March 2025.

Broad-based global equity indexes ended the quarter lower as a shift in investor sentiment created volatility, tempering early optimism about potential tax cuts and deregulation, including more accommodative policies on mergers and acquisitions. As the quarter progressed, concerns about tighter financial conditions and economic crosscurrents weighed more heavily on markets. In ARK's view, structural policy shifts supporting innovative breakthroughs in autonomous mobility, multiomics, and digital assets should withstand and ultimately overwhelm economic uncertainty and near-term volatility.

When the economy and companies face hard times, innovation generally takes share. We are starting to see signs of companies embracing innovation. For example, Spotify's CEO Tobi Lutke released an internal memo titled "AI usage is now a baseline expectation" that said, "before asking for more Headcount and resources teams must demonstrate why they cannot get what they want done using AI."

Performance Highlights

Sources: ARK Invest, Bloomberg, March 2025.

The ARK Artificial Intelligence & Robotics UCITS ETF returned -11.85% in Q1 2025.

The best performing stock was Byd Co returning +49.08%. Shares of BYD contributed to the fund this quarter, following anticipation of its Super e-Platform with megawatt flash charging technology—capable of delivering 400 kilometres of range in just five minutes. Notably, the company also reported strong fourth-quarter 2024 earnings, driven by record new energy vehicle sales and continued revenue growth.

The worst performing stock was Block returning -36.07%. Shares of Block detracted from the fund this quarter amid a broader market sell-off associated with the imposition of Trump's trade tariffs which are raising fears of recession. The company reported fourth-quarter results, including lower-than-expected revenue growth of 4% year-over-year. That said, Square, the company's merchant platform, delivered solid performance, with Gross Payment Volume (GPV) growth accelerating from 8% to 10% year-over-year. Block also changed its ticker to 'XYZ' to underscore the company's digital wallet ecosystem, which includes well-known brands like CashApp, Square, and Afterpay.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
BYD Co	+49.08%	Datadog	-30.57%
Spotify Technology	+22.94%	Teradyne	-34.33%
Kratos Defense & Security	+12.55%	Blade Air Mobility	-35.76%
Palantir Technologies	+11.60%	Tesla	-35.83%
Deere & Co	+11.16%	Block	-36.07%

ARKG
ARK GENOMICS REVOLUTION UCITS ETF

Market Commentary

Source: ARK Invest, March 2025.

The multiomics space continues to be one of the most understood areas of the market, in our view. As the healthcare landscape shifts from treatments to cures, Wall Street appears to be struggling with how to appropriately value curative technologies. This disconnect is creating significant opportunities for forward-looking investors.

Encouragingly, even the FDA is signalling a more progressive and innovation-friendly stance. Recently, the FDA announced a plan to phase out the animal testing requirement for monoclonal antibodies and other drugs, which will be replaced with the likes of AI-based computational models of toxicity and cell lines and organoid toxicity testing in a laboratory setting (so-called New Approach Methodologies or NAMs data). Companies like Recursion, Absci, and Schrodinger benefited from this news as all three companies have been early adopters of AI, positioning themselves at the forefront of this regulatory and technological shift.

Performance Highlights

Sources: ARK Invest, Bloomberg, March 2025.

The ARK Genomic Revolution UCITS ETF returned -12.04% in Q1 2025.

The best performing stock was 908 Devices returning +103.64%. Shares of 908 Devices Inc contributed to fund performance this quarter following the announcement of a strategic divestiture of its desktop portfolio to Repligen Corporation for $70 million, aimed at enhancing margins and focusing on high-growth handheld markets. The stock saw significant movement, including a notable increase after receiving a $1.7 million order from Ukraine's Ministry of Health for its MX908 handheld mass spectrometry device, reflecting strong demand for its portable chemical detection technology.

The worst performing stock was Quantum-Si returning -55.56%. Shares of Quantum-Si Inc detracted from fund performance this quarter following a significant stock decline attributed to a $50 million stock offering at a 25% discount, raising concerns about the company's growth. Despite announcing a partnership with IDEX Health & Science to enhance its Proteus™ instrument and launching the Platinum Pro protein sequencer, the stock experienced notable volatility, including a sharp drop of approximately 27% on one day.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
908 Devices	+103.64%	Intellia Therapeutics	-39.02%
Accolade	+103.51%	10x Genomics	-39.21%
Tempus AI	+42.89%	Personalis	-39.27%
Guardant Health	+39.44%	Illumina	-40.63%
Adaptive Biotechnologies	+23.94%	Quantum-Si	-55.56%

CYBR

RIZE CYBERSECURITY AND DATA PRIVACY UCITS ETF

Market Commentary

Sources: Bloomberg, Simply Wall St, Reuters, March 2025.

Cybersecurity stocks proved resilient in Q1 2025, reinforcing their status as a more defensive segment within technology investing. Demand growth in the sector moderated slightly from its highs in 2024, but remained positive as persistent threat activity, high-profile breaches (such as a ransomware attack on DaVita, a major U.S. dialysis provider) as well as increasing regulatory requirements kept cybersecurity at the top of CIO agendas. Network and cloud security were among the stronger-performing segments, with companies such as Palo Alto Networks and Fortinet benefiting from ongoing infrastructure upgrades. Earnings across the sector were broadly in line, with standout performers balanced by softer forward guidance from a few leaders, including CrowdStrike and Palo Alto Networks. A major industry milestone came with Alphabet's $32 billion agreement to acquire cloud security specialist Wiz — the largest cybersecurity deal on record — which reaffirmed the sector's strategic relevance and sparked renewed investor interest in M&A potential across the space. Despite the more subdued start to the year, the long-term investment case remains compelling. The structural growth drivers remain firmly in place, from the proliferation of attack surfaces and cloud migration to AI-enhanced threats and tightening data regulation.

Performance Highlights

Sources: MarketScreener, TechCrunch, Reuters, Tipranks, March 2025.

The Rize Cybersecurity & Data Privacy UCITS ETF returned +1.01% in Q1 2025.

The best performing stock was Truecaller returning +45.93%. The caller identity platform has added 15.5 million users since the start of the year, surpassing 450 million monthly active users globally, with notable expansion in regions such as Latin America, Africa, and Southeast Asia. In February, it reported a 23% year-over-year increase in net sales to SEK 522.8 million, exceeding analyst expectations. Adjusted EBITDA rose by 36%, and earnings per share increased by 33%, reflecting strong operational efficiency. The launch of a full-featured iOS version in late January also contributed to growth, with iOS subscriptions accounting for 43% of total subscription revenue.

The worst performing stock was Rapid7 Inc returning -34.10%. This followed disappointing earnings and a weak outlook. In Q4 2024, Rapid7's revenue grew only 5% (subscription sales up 6%, services down 5%) and shrinking margins led to an earnings miss, while management projected just 2–3% revenue growth for 2025 – a sharp deceleration from 9% in 2024 that fell well short of Wall Street expectations. This poor outlook, combined with clients cutting back on cybersecurity spending amid economic uncertainty eroded investor confidence. An activist hedge fund (JANA Partners) pushed for new board members to drive change, but Rapid7's shares still ended Q1 down over 34%.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Truecaller	+45.93%	Varonis Systems	-8.96%
Okta	+33.53%	Qualys	-10.19%
Trend Micro	+22.81%	Tenable Holdings	-11.17%
Verisign	+22.67%	SentinelOne	-18.11%
Check Point Software Tech	+22.08%	Rapid7	-34.10%

CYCL

RIZE CIRCULAR ECONOMY ENABLERS UCITS ETF

Market Commentary

Sources: Traxcn.com, Reuters, Cement, Pangaia, US Doe, Errin, March 2025.

Global investment activity in circular economy initiatives remained robust in the first quarter of 2025. Key trends we observed included new venture capital rounds for recycling and sustainable materials startups, major corporate commitments to circular projects, several strategic acquisitions, and government financing initiatives to spur circularity.

Ingka Group (the largest IKEA retailer) intends to recycle as many products as it sells by 2030 and committed €1 billion to recycling infrastructure - its largest circular investment to date - focusing on textiles, mattresses, plastics and wood. CEMEX Ventures also co-invested in Terra CO_2 to integrate circular materials into its cement operations. Meanwhile, eBay expanded its Circular Fashion Fund to support textile reuse and recycling innovations. Government funding continued with the US Department of Energy allocating $12.5 million for circular supply chains and Canada launching a national Circular Textiles Consortium. The EU also announced €165 million in upcoming calls for circular bio-economy projects. The call will fund R&D and pilot projects across 13 topics, from bio-based materials and recycling of bio-waste to innovative bio-refineries, under the EU's Horizon Europe framework.

Performance Highlights

Source: Bloomberg, March 2025.

The Rize Circular Economy Enablers UCITS ETF returned -1.91% in Q1 2025.

The best performing stock was Aurubis Ag returning +18.38%. This followed strong quarterly earnings and a supportive outlook. The company reported a 17% increase in operating profit, driven by higher copper prices, increased demand for sulfuric acid (a byproduct of its smelting operations), and reduced energy costs. Aurubis also reaffirmed its full-year guidance, which, alongside structural tailwinds from the energy transition and electric vehicle sector, boosted investor confidence.

The worst performing stock was Herc Holdings Inc returning -28.81%. Herc shares fell primarily due to concerns over its $3.8 billion acquisition of H&E Equipment Services. Investors worried about the high price tag, potential share dilution, and increased debt load. The deal followed a disappointing Q4 2024 earnings report and underwhelming 2025 guidance, which projected only modest rental revenue growth. Rising interest costs and a softening construction outlook further weighed on sentiment.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Aurubis	+18.38%	Ashtead Group	-13.42%
Valmet	+14.43%	Trex Company	-15.83%
Cintas	+12.71%	Automob Participacoes	-20.69%
Metso	+10.37%	Verbio	-22.81%
Steel Dynamics	+10.09%	Herc Holdings	-28.81%

LIFE

RIZE ENVIRONMENTAL IMPACT 100 UCITS ETF

Market Commentary

Sources: Reuters, CTVC, Lexology, March 2025.

In February, leading energy efficiency firm Schneider Electric reported double-digit sales growth in its smart power division, driven by strong demand from data centres. Meanwhile, the EU issued new guidance clarifying EU Taxonomy criteria in March and stayed steadfast in raising renewable energy ambitions via directive revisions. Major economies also doubled down on climate commitments; Germany's new coalition reaffirmed its 2045 net-zero goal and plans to accelerate renewables expansion, emphasising a pragmatic approach that balances environmental needs with economic growth. Climate adaptation gained attention too, as early-2025 wildfires underscored the need for resilient infrastructure and prompted utilities to invest billions in protective measures.

Despite near-term volatility, improving corporate earnings, supportive policy, and ample sustainable capital point to a bullish yet balanced outlook. We are particularly excited about energy efficiency and climate adaptation companies, which remain well-positioned to deliver growth while advancing pressing climate goals in the coming quarters.

Performance Highlights

Source: Bloomberg, March 2025.

The Rize Environmental Impact 100 UCITS ETF returned +0.84% in Q1 2025.

The best performing stock was Radius Recycling Inc returning +92.74%. The U.S.-based scrap metal recycler and steel manufacturer experienced a significant share price surge following its announced acquisition by Toyota Tsusho America, a subsidiary of Japan's Toyota Tsusho Corp. The $1.34 billion deal, unveiled on March 13, offered shareholders $30 per share - a 115% premium over the prior closing price. The acquisition aims to integrate Radius's extensive U.S. scrap operations with Toyota Tsusho's global automotive supply chain, enhancing access to recycled materials for automotive manufacturing.

The worst performing stock was Tetra Tech Inc returning -26.45%. Tetra Tech Inc., a U.S. engineering and consulting firm, saw its shares fall due to major cuts to USAID funding under the Trump administration. The cancelled contracts, including a $5 billion water initiative and a $439 million energy project, hit investor confidence hard. A $115 million legal settlement related to an old environmental case added further pressure, overshadowing otherwise strong revenue figures for the quarter.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Radius Recycling	+92.74%	Hubbell	-20.72%
Xpeng	+75.30%	Great Lakes Dredge & Dock	-22.94%
BYD Co	+47.10%	Samsung SDI	-23.66%
Afry	+36.49%	Ceco Environmental	-24.58%
CPFL Energia	+28.72%	Tetra Tech	-26.45%

NFRA

RIZE GLOBAL SUSTAINABLE INFRASTRUCTURE UCITS ETF

Market Commentary

Sources: ARK Invest, SES, GTRMag, March 2025.

Infrastructure equities appear to be entering a favourable regime. Amid trade tensions, rising volatility, and recession concerns, investors are rediscovering the asset class's resilience and relative defensiveness.

The Rize Global Sustainable Infrastructure UCITS ETF ("NFRA") tracks a diversified portfolio of companies poised to benefit from this shift — spanning digital infrastructure, the energy transition, and resilient transport networks. Over the past year, its underlying index has not only outperformed global equities but has done so with significantly lower volatility and beta. Looking ahead, structural megatrends — AI-fuelled data centre growth, grid modernisation, and climate-resilient infrastructure — are converging with a step-change in public and private sector investment. In the U.S. private capital is ramping up as fiscal tightening reduces federal spending, while Europe accelerates with large-scale public outlays. As monetary policy divergence narrows, infrastructure emerges as a compelling global opportunity — offering both income and growth. NFRA's fossil-free, high-dividend, and lower-beta profile makes it a timely tool to navigate uncertainty while remaining exposed to long-term secular themes.

Performance Highlights

Source: Bloomberg, March 2025.

The Rize Global Sustainable Infrastructure UCITS ETF returned 5.06% in Q1 2025.

The best performing stock was SES SA returning +79.45%. This was driven by improving fundamentals and an activist investor's push for change. The company delivered better-than-expected 2024 results and projected stable revenue and EBITDA for 2025, reinforcing confidence in its outlook. Meanwhile, hedge fund Appaloosa urged SES to return excess cash to investors and modernise governance, boosting expectations of greater shareholder payouts. SES also pressed ahead with its $3.1 billion to expand its satellite network, further bolstering investor sentiment.

The worst performing stock was Airports Of Thailand ("AOT") returning -32.51%. Reports indicated its main duty-free partner, King Power, faced liquidity issues and sought to delay hefty contract payments due to a slow post-pandemic recovery. Since these concessions provide about one-third of AOT's revenue, speculation of contract renegotiation triggered a sharp sell-off. Although AOT insisted on no fundamental changes to the contract (only short-term deferrals with interest were allowed), uncertainty around future revenue kept the stock depressed throughout the quarter.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
SES	+79.45%	Infratil	-15.37%
Innergex Renewable Energy	+76.67%	Digital Realty Trust	-18.33%
Ecorodovias Infra	+35.34%	Well Health Technologies	-21.48%
Cia Saneamento Basico	+26.43%	Nextdc	-23.66%
Welltower	+24.11%	Airports Of Thailand	-32.51%

FOOD

RIZE SUSTAINABLE FUTURE OF FOOD UCITS ETF

Market Commentary

Sources: Oatly, Green Forum, March 2025.

Sustainable food equities saw modest declines in Q1 2025 which fell in line with global food and agriculture benchmarks. Several developments underscore the long-term case for sustainable food.

Oat milk leader Oatly reported improving margins and said it expected "2025 to be [its] first full year of profitable growth as a public company," significantly boosting investor confidence. Agricultural technology and logistics were bright spots. In the UK, online grocer Ocado surged 16% after JP Morgan upgraded the stock highlighting improving prospects for its robotics and e-grocery platform. Cold storage warehouse REITs (Lineage and Americold) remained in demand as food suppliers prioritised resilient, efficient supply chains. Farm input firms had a nuanced quarter: fertiliser prices jumped (urea hit ~$455/ton in February) benefiting producers like Yara, though high energy costs and inventory adjustments pinched short-term margins. Sustainability initiatives also accelerated worldwide. Europe's new packaging rules (effective Feb 2025) require all packaging to be recyclable by 2030, a tailwind for the fund's packaging holdings (e.g. glass and metal container makers). Innovation in food waste reduction also advanced, with companies rolling out tech to extend shelf life and upcycle waste.

Performance Highlights

Source: Bloomberg, March 2025.

The Rize Sustainable Future of Food UCITS ETF returned -0.93% in Q1 2025.

The best performing stock was Euglena Co Ltd returning +28.09%. This was driven by investor optimism around its expanding bio-fuel initiatives. The company, known for its microalgae-based products, reported narrowing losses in 2024 and projected a return to profitability in 2025 through operational improvements. Additionally, Euglena's joint venture with Petronas and Enilive to build a $1.3 billion bio-refinery in Malaysia, announced in late 2024, bolstered confidence in its long-term growth prospects.

The worst performing stock was Ag Growth International Inc returning -31.02%. This reflected investor concerns over its financial outlook. Despite reporting record revenues for 2024, the company issued a cautious 2025 forecast, citing challenges in global agricultural markets. Analysts responded by lowering earnings estimates and price targets, contributing to the stock's decline. Insider buying in March provided limited support, as market sentiment remained subdued.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Euglena Co	+28.09%	Lamb Weston Holdings	-19.75%
Evonik Industries	+24.28%	Oatly Group	-25.84%
Bucher Industries	+15.90%	Mission Produce	-27.07%
Yara International	+13.19%	Neogen	-28.58%
Billerud	+12.29%	AG Growth International	-31.02%

LUSA

RIZE USA ENVIRONMENTAL IMPACT UCITS ETF

Market Commentary

Sources: Reuters, CTVC, Lexology, March 2025.

In February, leading energy efficiency firm Schneider Electric reported double-digit sales growth in its smart power division, driven by strong demand from data centres. Meanwhile, the EU issued new guidance clarifying EU Taxonomy criteria in March and stayed steadfast in raising renewable energy ambitions via directive revisions. Major economies also doubled down on climate commitments; Germany's new coalition reaffirmed its 2045 net-zero goal and plans to accelerate renewables expansion, emphasising a pragmatic approach that balances environmental needs with economic growth. Climate adaptation gained attention too, as early-2025 wildfires underscored the need for resilient infrastructure and prompted utilities to invest billions in protective measures.

Despite near-term volatility, improving corporate earnings, supportive policy, and ample sustainable capital point to a bullish yet balanced outlook. We are particularly excited about energy efficiency and climate adaptation companies, which remain well-positioned to deliver growth while advancing pressing climate goals in the coming quarters.

Performance Highlights

Source: Bloomberg, March 2025.

The Rize USA Environmental Impact UCITS ETF returned -8.73% in Q1 2025.

The best performing stock was Radius Recycling Inc returning +92.74%. The U.S.-based scrap metal recycler and steel manufacturer experienced a significant share price surge following its announced acquisition by Toyota Tsusho America, a subsidiary of Japan's Toyota Tsusho Corp. The $1.34 billion deal, unveiled on March 13, offered shareholders $30 per share - a 115% premium over the prior closing price. The acquisition aims to integrate Radius's extensive U.S. scrap operations with Toyota Tsusho's global automotive supply chain, enhancing access to recycled materials for automotive manufacturing.

The worst performing stock was Sunnova Energy International returning -89.15%. Sunnova's shares plummeted after the company issued a "going concern" warning, indicating doubts about its ability to continue operations without additional funding. Despite securing a $185 million loan, the high 15% interest rate and existing debt of approximately $1.9 billion raised concerns about the company's financial stability. Additionally, industry-wide challenges, including high interest rates and policy uncertainties, further pressured the stock, leading to its decline.

Q1 2025 Stock Returns

Source: Bloomberg as of close 31 March 2025.

Top 5 Performers		Bottom 5 Performers	
Radius Recycling	+92.74%	Green Plains	-48.84%
Aris Water Solutions	+34.42%	Fuelcell Energy	-49.23%
Altus Power	+21.62%	T1 Energy	-51.16%
Republic Services	+20.72%	Wolfspeed	-54.05%
American Water Works	+19.24%	Sunnova Energy International	-89.15%

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14. Supra 11

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An investment in the Fund involves significant risk and is subject to the volatility of companies in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies. The Rize Circular Economy Enablers UCITS ETF replicates the Foxberry SMS Circular Economy Enablers Index. An investment in the Fund involves significant risk and is subject to the volatility of companies that provide circular products and services (e.g. recycling activities) or products and services that support other companies to enhance circularity within their own businesses. The Rize USA Environmental Impact UCITS ETF replicates the Foxberry SMS USA Environmental Impact USD Net Total Return Index. An investment in the Fund involves significant risk and is subject to the volatility of companies involved in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies. The Rize Global Sustainable Infrastructure UCITS ETF replicates the Foxberry SMS Global Sustainable Infrastructure USD Net Total Return Index. An investment in the Fund involves significant risk and is subject to the volatility of companies involved in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies and emerging market political and economic risks. The ARK Innovation UCITS ETF, ARK Artificial Intelligence & Robotics UCITS ETF and ARK Genomic Revolution UCITS ETF are actively managed funds, an investment in which involves significant risk and is subject to the share price volatility of technology-focused companies, the risk of failure of new technologies to replace existing ones or to be approved by governments / regulators or to achieve their aim, the failure of individual companies to successfully capitalise on new technologies and reach profitability, competition, government intervention or excessive regulation, delays to approvals or lack of financial support; and legal attacks from competitors. **Capital at Risk Warning** – Please note that the value of an investment and any income taken from it is not guaranteed and can go down as well as up. You may not get back the amount you originally invested. If your investment currency is different to the Funds' currency of denomination (USD) or the currencies in which the Funds' assets are denominated (which may be a range of different global currencies), then the return you will get from your investment may increase or decrease as a result of currency fluctuations between your investment currency and such currencies. The Funds referred to in this marketing communication are offered by ARK Invest UCITS ICAV ("ARK Invest"). ARK Invest is an open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with variable capital and segregated liability between its sub-funds (each, a "Fund") and registered in Ireland with registration number C193010 and authorised by the Central Bank of Ireland as a UCITS. ARK Invest is managed by IQ EQ Fund Management (Ireland) Limited ("IQ EQ"). The prospectus (including the Fund-specific supplements and other supplements), the KIIDs/KIDs the constitutional document of ARK Invest and the latest annual and semi-annual reports of ARK Invest, the latest Net Asset Values of the Funds and details of the underlying investments of the Funds (together, the "Fund Information") are available at https://europe.ark-funds.com/. Any decision to invest must be based solely on the Fund Information. Investors should read the Fund-specific risks in ARK Invest's prospectus, Fund-specific supplements and the KIIDs/KIDs. The indicative intra-day net asset values of the Funds are available at http://www.solactive.com. The Funds are not offered or aimed at residents in any country in which (a) ARK Invest and the Funds are not authorised or registered for distribution and where to do so is contrary to the relevant country's securities laws, (b) the dissemination of information relating to ARK Invest and the Funds via the internet is forbidden, and/or IQ EQ or ARK UK are not authorised or qualified to make such offer or invitation. The Funds may be registered or otherwise approved for distribution to the public or certain categories of investors in one or more jurisdictions. Where this is the case, a country-specific web page and copies of the Fund Information will be available at https://europe.ark-funds.com/. The fact of such a registration or approval, however, does not mean that any regulator (including the FCA) has determined that the Funds are suitable for all categories of investors. **United Kingdom:** This is a financial promotion. For the purposes of the United Kingdom Financial Services and Markets Act 2000 ("**FSMA**"), ARK Invest is a UCITS that has been recognised by the Financial Conduct Authority (the "**FCA**") pursuant to s.264 of the UK Financial Services and Markets Act 2000. The Fund Information is available in English free of charge upon request from the Facilities Agent in the United Kingdom, FE fundinfo (UK) Limited, Unit 1.1, First Floor, Midas House, 62 Goldsworth Road, Woking, Surrey, GU21 6LQ, England. **Germany:** This is a financial promotion. The offering of the Shares of ARK Invest has been notified to the German Financial Services Supervisory Authority (BaFin) in accordance with section 310 of the German Investment Code (KAGB). The Fund Information in English (and the KIDs in German language) can be obtained free of charge upon request from the Facilities Agent in Germany, FE fundinfo (Luxembourg) S.à.r.l., by contacting fa_gfr@fefundinfo.com or in paper form at the Facilities Agent's registered office, being 77 Rue du Fossé, 4123 Esch-sur-Alzette, Luxembourg. **Switzerland:** This is an advertising document. The state of the origin of the fund is Ireland. In Switzerland, the Representative in Switzerland is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St. Gallen. The Paying Agent in Switzerland is Tellco AG, Bahnhofstrasse 4, 6430 Schwyz. The Fund Information may be obtained free of charge from the Representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units in the Fund. **Austria:** This is a marketing communication and serves exclusively as information for investors. Under no circumstances may it replace advice regarding the acquisition and disposal of investments which may result in a total loss of the investment. The Fund Information in English (and the KIDs in German language) can be obtained free of charge upon request from the Facilities Agent in Austria, FE fundinfo (Luxembourg) S.à.r.l., by contacting fa_gfr@fefundinfo.com. **United States:** This marketing communication and its contents are not directed at any person that is resident in the United States ("**US person**"), and no offer or invitation is made to any US person to acquire or sell any service, product or security referred to. The provision of any information in this marketing communication does not constitute an offer to US persons to purchase securities.