

TRADITIONAL - Risk Report - January 21, 2026

Key figures

31-Dec-2025 Reporting Date  VaR 9.9%
10d@99.9%

 1003 kEUR Base Value

 12.4% Volatility p.a.

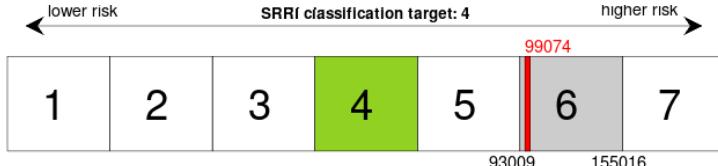
 99074 EUR VaR (abs.)

 14.5% Diversification

Key Risk Indicators

Category	Measure	Target	Actual	Status
Risk	SRRI class	4	6	action required
Risk	VaR Trend	→	→	on track
Allocation	Total Deviation	<10%	0%	on track
Allocation	Risk Impact	<10%	0%	on track
Allocation	Equity Deviation	<10%	20%	action required
Allocation	Cash	>0 EUR	1500 EUR	on track
Risk	Country Risk	(very) low	low	on track
Risk	ESG Rating	AAA-A	A	on track
Risk	Concentration	low-mid	high	action required
Allocation	Liquidity	high: >50%	high: 100%	on track

Portfolio Risk Classification



Comments and Assumptions

Notably the following assumptions are made:

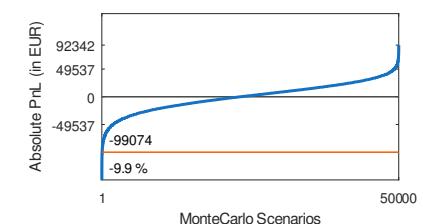
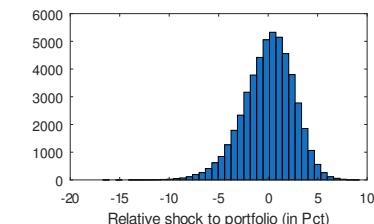
- Runcode for report: 20251231
- Classic diversified equity fixed income allocation with moderate risk/return profile.

Tax impact

VaR after tax	VaR before Tax	Tax benefit	Tax benefit (rel.)	DTL
99074 EUR	99074 EUR	0 EUR	0.0%	0 EUR

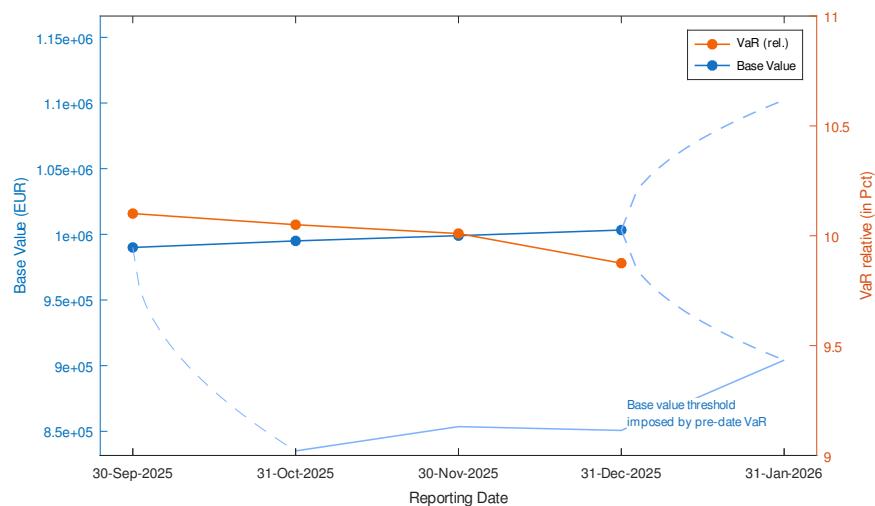
Portfolio Risk Distribution

Visualization of profit and loss distribution in all MC scenarios:



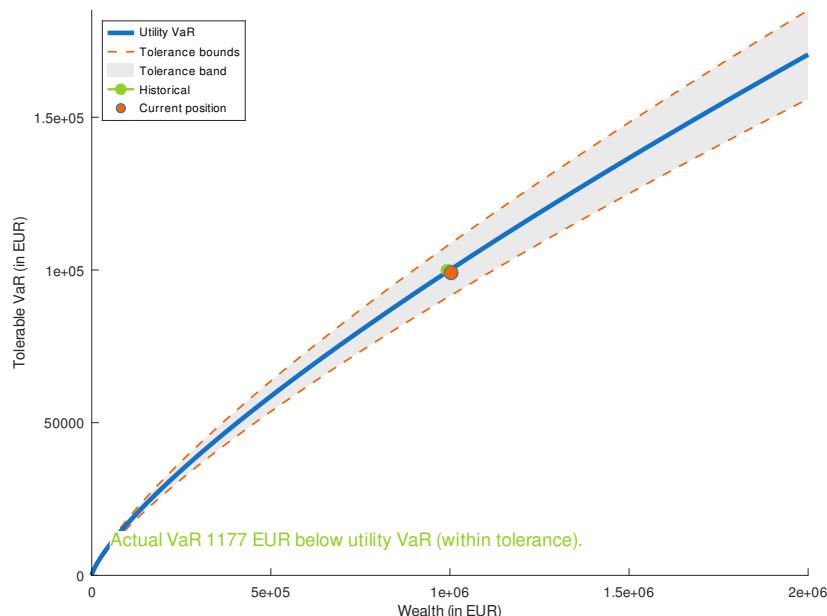
VaR Evolution and Backtesting

A history of portfolio basevalues and relative VaR for past reporting dates is given. The light blue line indicates the lower base value threshold as imposed by pre-date VaR:



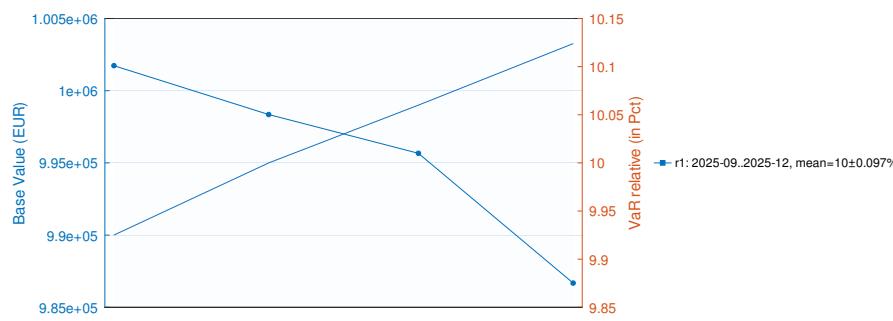
VaR Utility Function

Actual VaR is compared to utility VaR calibrated by individual logarithmic utility function:



Historical VaR Regimes

Plot full historical monthly VaR with regime color coding:



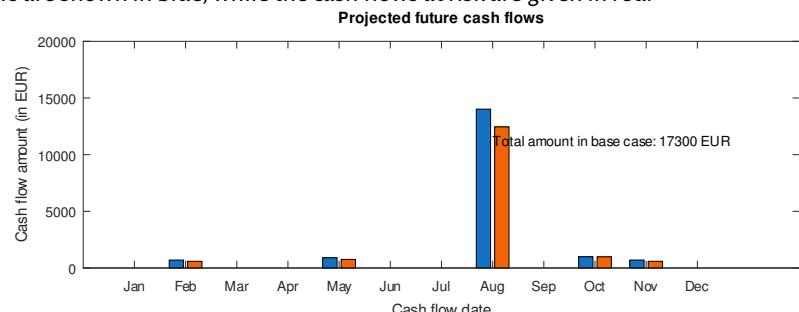
Strategic Asset Allocation

Comparison of portfolio target asset allocation (AA) vs. actual allocation. An estimation of VaR impact induced by the deviation is given both on portfolio and asset class level:

Asset Class	Basevalue	Target AA	Actual AA	Deviation	Risk Impact
Equity	500010 EUR	50.0%	49.8%	-1621 EUR	-264 EUR
Real Estate	100002 EUR	10.0%	10.0%	-324 EUR	-50 EUR
Fixed Income	401750 EUR	40.0%	40.0%	445 EUR	2 EUR
Cash	1500 EUR	0.0%	0.1%	1500 EUR	-0 EUR
Assets	1003261 EUR	100%	100%	3890 EUR	-313 EUR

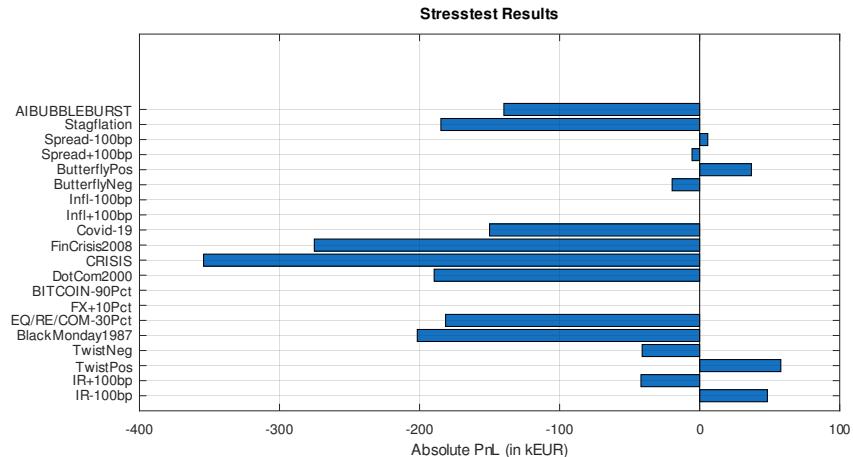
Liquidity Projection

Future cash flows from the portfolio including income, expenses, dividends and coupon payments for the next 12 month are forecast to allow for reinvesting planing. Base scenario cash flows are shown in blue, while the cash flows at risk are given in red:



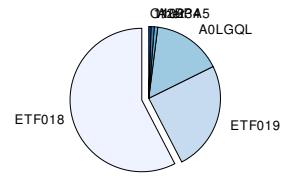
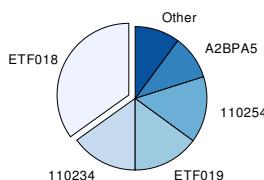
Stress Testing

Portfolio profit and losses for both parametric and historic stress scenarios:



Largest and Riskiest Positions

Main position contributions to portfolio basevalue (left chart) and portfolio VaR (right chart):



Asset Class and Currency Decomposition

Portfolio risk breakdown into asset classes (AC), currencies and their VaR decomposition:

AC / Currency	Basevalue	Pct.	Standalone VaR	Decomp VaR	Pct.
Portfolio	1003261 EUR	100.0%	99074 EUR	99074 EUR	100.0%
Equity	500010 EUR	49.8%	84849 EUR	81544 EUR	82.3%
Real Estate	100002 EUR	10.0%	16655 EUR	15534 EUR	15.7%
Fixed Income	401750 EUR	40.0%	13489 EUR	1996 EUR	2.0%
Cash	1500 EUR	0.1%	0 EUR	-0 EUR	-0.0%
EUR	1003261 EUR	100.0%	99074 EUR	99074 EUR	100.0%

Position Decomposition

Portfolio breakdown of the riskiest positions and their VaR decomposition:

Position ID	Basevalue	Standalone VaR	Decomp VaR	Pct.	SRRI
Portfolio	1003261 EUR	99074 EUR	99074 EUR	100.0%	6
ETF018	349991 EUR	59391 EUR	57078 EUR	57.6%	6
ETF019	150019 EUR	25457 EUR	24466 EUR	24.7%	6
A0LGQL	100002 EUR	16655 EUR	15534 EUR	15.7%	6
A2BPA5	100198 EUR	3045 EUR	774 EUR	0.8%	3
110234	151600 EUR	6799 EUR	725 EUR	0.7%	4
110254	149951 EUR	4505 EUR	497 EUR	0.5%	4
CASHEUR	1500 EUR	-0 EUR	-0 EUR	-0.0%	1
Other	-0 EUR	-	-0 EUR	-0.0%	-

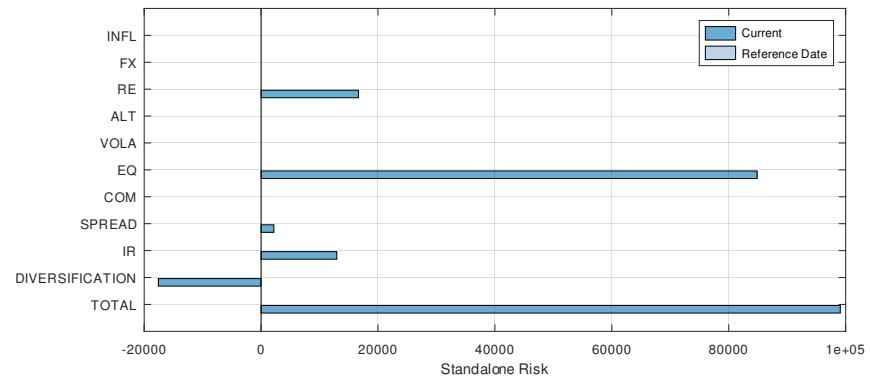
Diversified and Standalone Risk

Risk breakdown into diversified and standalone risk components:

Risk Capital 10d @99.9% (in EUR)	12/25 base	11/25 base	Diff
Total diversified risk after tax and add-on	99074	0	+99074
Capital add-on	0	0	+0
Total diversified risk after tax	99074	0	+99074
Loss absorbing capacity of deferred taxes	0	0	+0
Total diversified risk before tax	99074	0	+99074
Diversification impact	-17569	0	-17569
Diversification benefit	-15.06%	0.00%	+15.06%-p.
Sum of standalone risks	116643	0	+116643
Interest rate risk	12948	0	+12948
Volatility risk	-0	0	-0
Inflation risk	-0	0	-0
Equity risk	84849	0	+84849
Alternative risk	-0	0	-0
Real Estate risk	16655	0	+16655
Currency risk	-0	0	-0
Commodity risk	-0	0	-0
Credit risk sum (spread & default)	2191	0	+2191

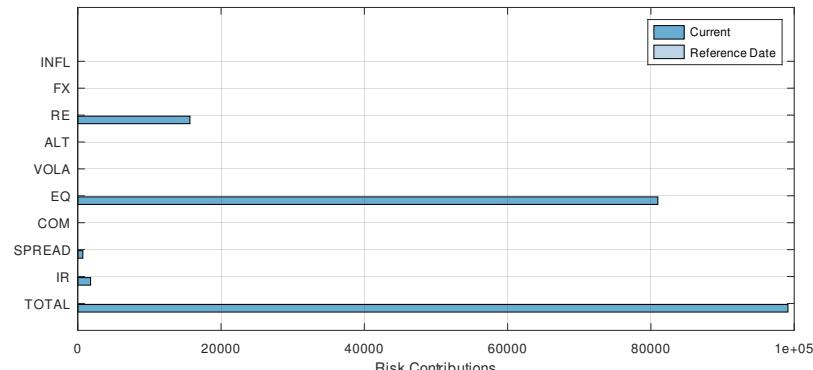
Standalone Risk

Graphical representation of standalone risk components:



Risk Contribution

Graphical representation of standalone risk contributions:



What-If Analysis

The incremental VaR measures the effect of positions on the portfolio VaR after an initial hypothetical investment, while the marginal VaR calculates the change in the portfolio VaR when an additional 1000EUR is invested into the position (or when divested):

Position ID	Basevalue	Incremental VaR	Marginal VaR
ETF018	349991 EUR	55268 EUR	163 EUR
ETF019	150019 EUR	24440 EUR	163 EUR
AOLGQL	100002 EUR	15185 EUR	155 EUR
A2BPA5	100198 EUR	707 EUR	8 EUR
110234	151600 EUR	-437 EUR	5 EUR
110254	149951 EUR	-108 EUR	3 EUR
CASHEUR	1500 EUR	0 EUR	0 EUR

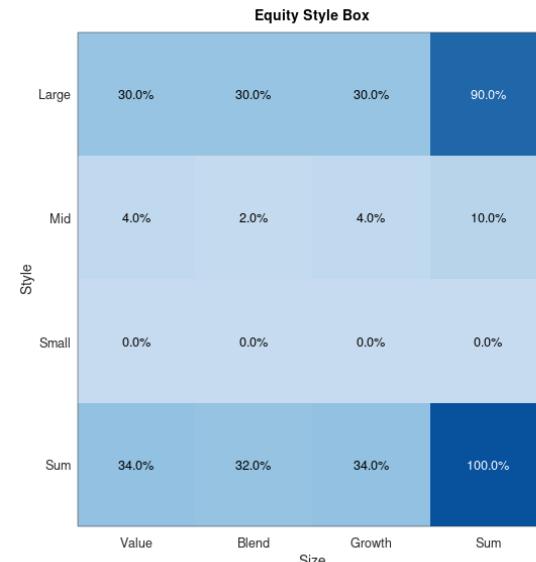
Equity Region Allocation

Comparison of equity target asset allocation (AA) vs. actual allocation. An estimation of VaR impact induced by the deviation is given both on equity asset class and region level:

Region	Basevalue	Target AA	Actual AA	Deviation	Risk Impact
Europe	69998 EUR	20.0%	14.0%	-30004 EUR	-4893 EUR
NorthAmerica	234494 EUR	50.0%	46.9%	-15511 EUR	-2530 EUR
Pacific	45499 EUR	10.0%	9.1%	-4502 EUR	-734 EUR
EmergingMarkets	150019 EUR	20.0%	30.0%	50017 EUR	8157 EUR
Equity	500010 EUR	100.0%	100.0%	100035 EUR	0 EUR

Equity Style Allocation

Allocation size (large/mid/small cap) vs. style (value/blend/growth) for all equity positions:



Fixed Income Style Allocation

The allocation of ratings and the effective duration, divided into three buckets, are provided for all fixed income asset positions:

Sensitivity	Overall Portfolio
Effective Duration	4.5
Effective Convexity	63.7

Asset Credit Rating	Allocation	Eff. Duration	Asset Allocation
High (AAA-AA)	75.2%	Low<3	0.0%
Mid (A-BBB)	24.8%	Mid3-7	24.9%
Low (BB-C)	0.0%	High>7	75.1%
Sum	100.0%	Sum	100.0%

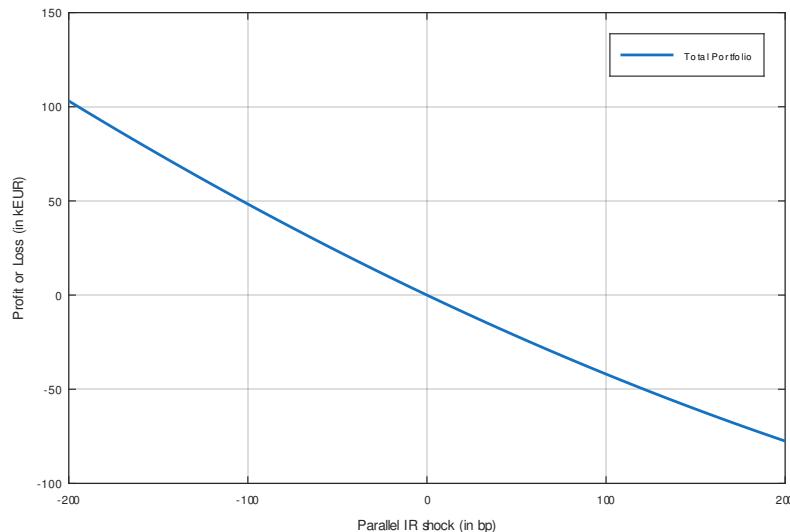
Instrument Name	Identifier	Exposure	Notional	Maturity Date
BASF SE 2031	A2BPA5	100198 EUR	112600 EUR	2031-10-06
Bund 05/36	110254	149951 EUR	201900 EUR	2036-05-15
Bund 08/46	110234	151600 EUR	172600 EUR	2046-08-15

Bond Yield-to-Maturity

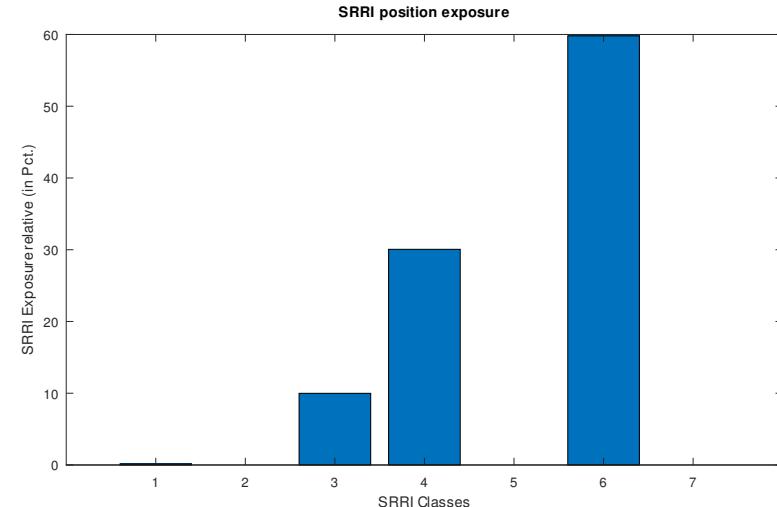
Portfolio bond exposure, yield-to-maturity and effective duration are given:

Bond Exp.	Yield to Mat.	Eff.Dur.
401750 EUR	3.12%	11.24

IR Sensitivity Analysis

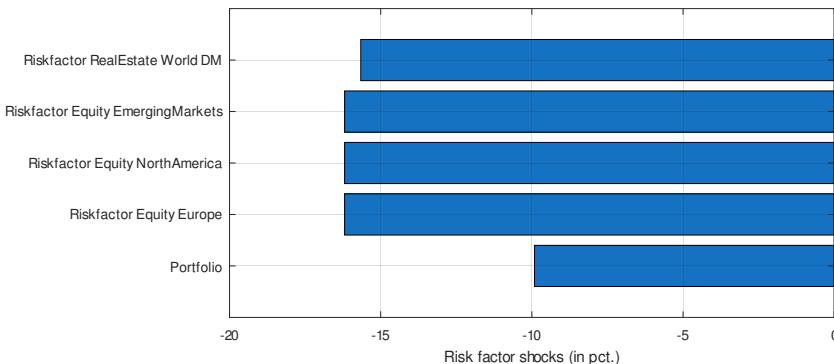


SRRI Asset Position Exposure



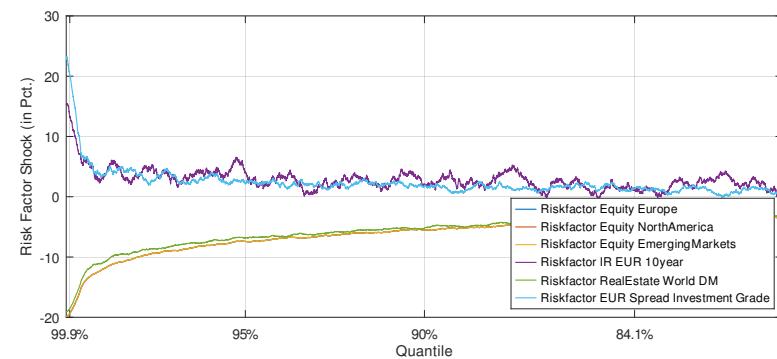
VaR Risk Factor Shocks

Average tail scenario shocks in MC VaR scenarios for selected equity, forex, alternative, commodity and real estate risk factors are shown:



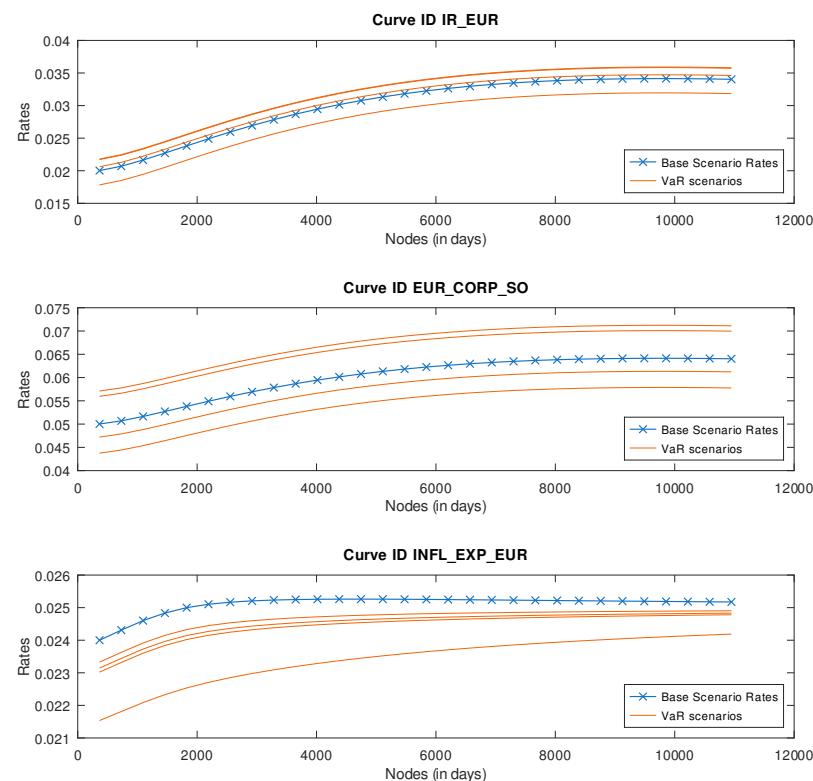
Risk Factor Quantile Dependence

Tail shocks for selected interest rates, equity, alternative, commodity and real estate risk factors are shown. Most relevant quantiles (e.g. VaR 99.9% or Standard Deviation 84.1%) allow for analysis of exposure transitions.



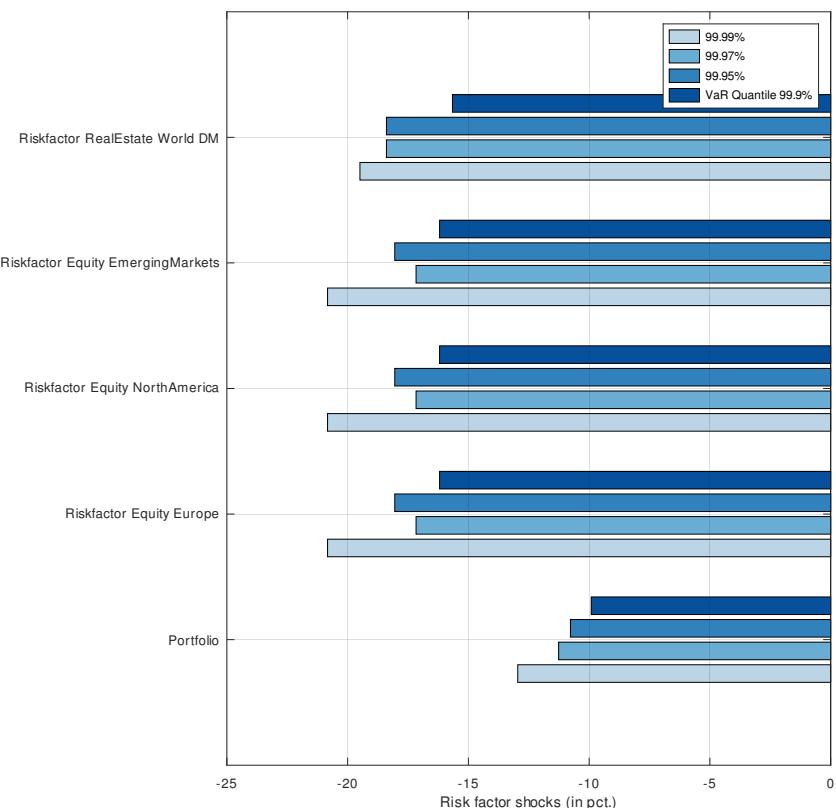
Interest Rate and Inflation Term Structure

A summary of risk free interest rate and inflation expectation term structures under current market conditions as well as in selected tail scenarios show portfolio interest rate sensitivity:



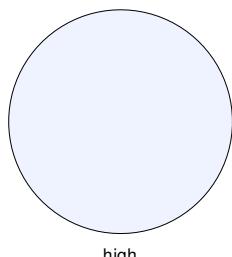
Reverse Stress Testing

Reverse stress testing looks at specific scenario shocks, which exceeds given limits. In order to determine such extreme shock events which will exceed VaR, MC tail scenarios based on VaR, 99.95%, 99.97% and 99.99% quantiles for certain risk factors are analyzed. For comparison purposes the portfolio VaR shock itself is included.



Liquidity Classification

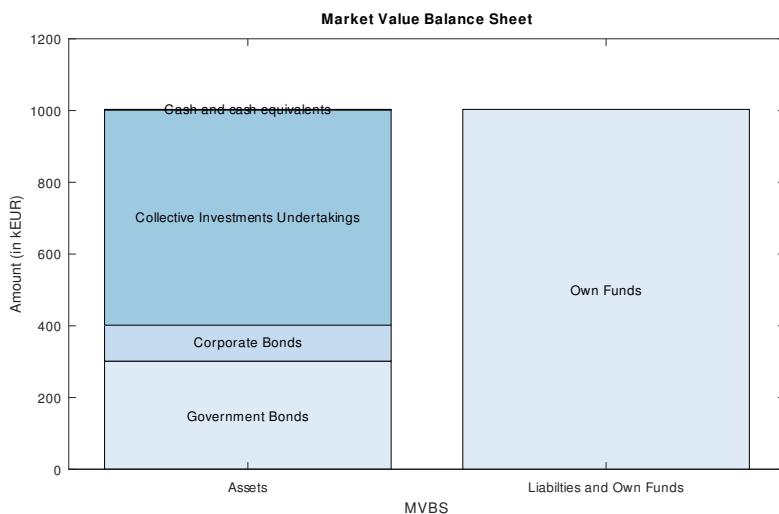
Exposure of all financial assets to the three liquidity classes high, mid and low:



high	tradeable within one day (e.g. cash, ETF or bonds/stocks traded via exchange)
mid	tradeable within one week (e.g. physical commodities or savings account)
low	tradeable within more than one week and / or penalty for termination of contract (e.g. pension scheme)

Market Value Balance Sheet (MVBS)

Assets	in EUR
Investments	1001761
Bonds	401750
Government Bonds	301551
Corporate Bonds	100198
Collective Investments Undertakings	600012
Cash and cash equivalents	1500
<i>Total Assets</i>	1003261
Own Funds	
Own Funds before tax	1003261
Deferred tax	0
Own Funds after tax	1003261



Global Economic Stress Scenarios

A global risk is defined as an uncertain event or condition that, if it occurs, can cause significant negative impact for several countries or industries within the next 10 years. The economic risk scenarios are taken from the Global Risk Report as published by the World Economic Forum (www.weforum.org/reports/the-global-risks-report-2019). A possible qualitative risk mitigation approach is added to each of the scenarios:

Asset bubbles in a major economy Unsustainably overpriced assets such as commodities, housing, shares, etc. in a major economy or region → can be mitigated through diversification and limit setting.

Deflation in a major economy Prolonged near-zero inflation or deflation in a major economy or region → can be mitigated through global diversification and investing in e.g. commodities and crypto-currencies.

Failure of a major financial mechanism or institution Collapse of a financial institution and/or malfunctioning of a financial system that impacts the global economy → can be mitigated through reduction of concentration risks (diversification of financial counterparties and understanding of underlying instrument mechanisms).

Failure/shortfall of critical infrastructure Failure to adequately invest in, upgrade and/or secure infrastructure networks (e.g. energy, transportation and communications), leading to pressure or a breakdown with system-wide implication → see last item

Fiscal crises in key economies Excessive debt burdens that generate sovereign debt crises and/or liquidity crises → can be minimized through (regional) diversification

High structural unemployment A sustained high level of unemployment or underutilization of the productive capacity of the employed population → can be minimized through (regional) diversification

Illicit trade Large-scale activities outside the legal framework such as illicit financial flows, tax evasion, human trafficking, counterfeiting and/or organized crime that undermine social interactions, regional or international collaboration, and global growth → can be minimized through (regional) diversification

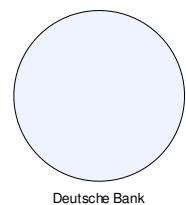
Severe energy price shock Significant energy price increases or decreases that place further economic pressures on highly energy-dependent industries and consumers → can be minimized through (regional) diversification and investment into commodities and alternative assets

Unmanageable inflation Unmanageable increases in the general price levels of goods and services in key economies → can be minimized through (regional) diversification and investment in e.g. equity assets and gold

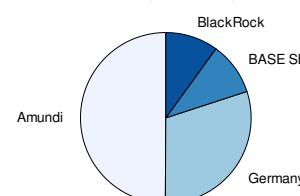
Concentration Risk Charts

Pie charts for all entities clustered by topic highlight concentration risk of portfolio. Hirschmann-Herfindahl Index (HHI) gives indication of concentration level:

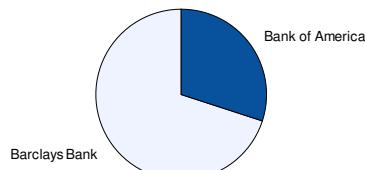
Custodian (HHI = 10000)



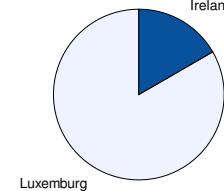
Issuer (HHI = 3597)



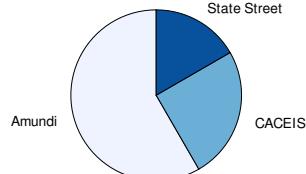
Counterparty (HHI = 5800)



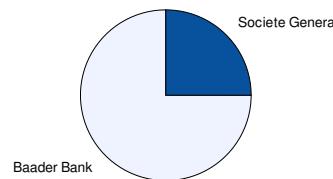
Country of Origin (HHI = 7222)



Custodian Bank Underlying (HHI = 4305)

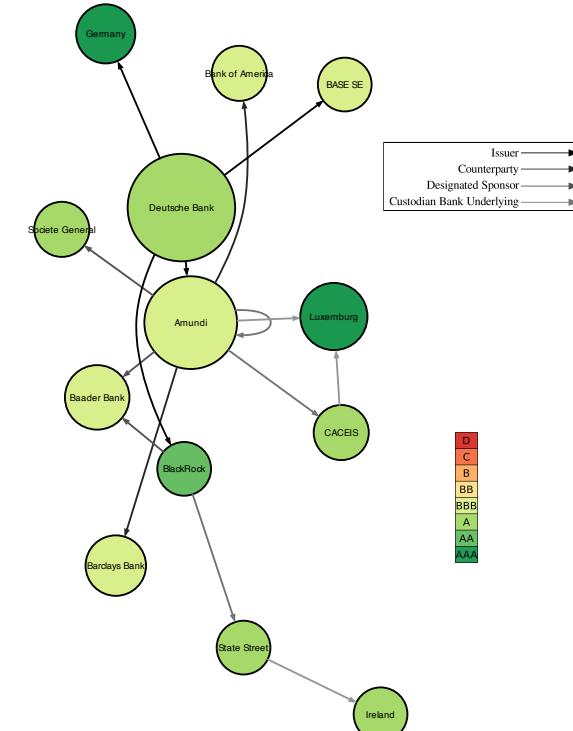


Designated Sponsor (HHI = 6250)



Concentration Risk Network

Concentration risk network for all entities related to the portfolio (e.g. issuer, custodian bank, counterparty, custodian bank of the underlying, country of origin) including their credit rating (see embedded legend):



Issuer Exposure

Issuer	Exposure	Pct.
Amundi	500010 EUR	49.8%
Germany	301551 EUR	30.1%
BASE SE	100198 EUR	10.0%
BlackRock	100002 EUR	10.0%
Total	1001761 EUR	100.0%

Net Derivative / Swap Counterparty Exposure

Counterparty	Net Exposure	Pct.
Barclays Bank	17500 EUR	1.7%
Bank of America	7501 EUR	0.7%
Total	25000 EUR	2.0%

Custodian Exposure

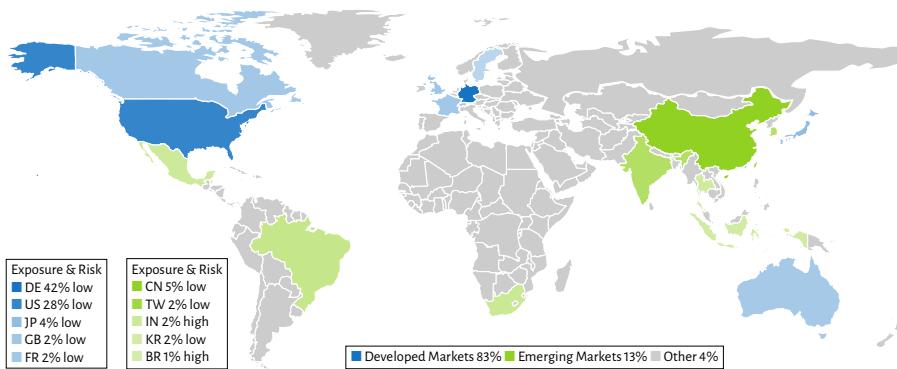
Custodian	Exposure	Pct.
Deutsche Bank	1003261 EUR	100.0%
Total	1003261 EUR	100.0%

Custodian Bank Underlying Exposure

Custodian Bank Underlying	Exposure	Pct.
Amundi	349991 EUR	34.9%
CACEIS	150019 EUR	15.0%
State Street	100002 EUR	10.0%
Total	600012 EUR	59.8%

World Exposure and Country Risk Map

World exposure and risk map for all financial assets (e.g. equity, saving deposits and other fixed income instruments) including a country risk assessment according to ND-GAIN country readiness risk methodology:



SRRI Methodology

SRRI stands for Synthetic Risk and Reward Indicator and classifies the volatility of financial instruments or portfolios. The SRRI was developed by the European Securities and Markets Authority (ESMA) and is mandatory for all financial instruments to be included in the Key Information Document (KID). The isolated view of SRRI classes of single instruments is limited, diversification or investment type (speculative vs. hedging) can only be taken into account in a portfolio context:

Risk Class	Volatility (p.a.)	Description
1	0%-0.5%	very conservative, inflation risk likely
2	0.5%-2%	conservative portfolio, mainly bonds
3	2%-5%	moderately conservative, more bonds than equity
4	5%-10%	balanced growth portfolio, well diversified
5	10%-15%	moderately aggressive, mostly equities
6	15%-25%	aggressive portfolio consisting of single stocks
7	>25%	speculative leveraged portfolio, little diversification

Disclaimer

All information has been composed with diligence and care. No guarantee for the accuracy of the provided results is given. The reports should not be treated as a complete risk analysis of the financial portfolio in general, only certain market risk factors were taken into account. Further known and unknown *unknowns* exist. No personalized investment advice is given. Send questions and comments to schinzelord@octarisk.com or visit www.octarisk.com for further documentation and source code published under the GNU GPL.



Calculation Methodology

Value-at-Risk (VaR) is defined as a monetary loss which the portfolio won't exceed for a specific probability on a certain time horizon. The *expected shortfall* (ES) metric gives the average loss which occurs in all remaining cases where losses exceeds the VaR.

The calculation methodology is specified as a Monte-Carlo (MC) full valuation approach based on 50000 scenarios on a 10 day time horizon and a 99.9% confidence interval. The 10 day time horizon should reflect an expected one-time event in an investors entire life. Risk factors are modeled by multivariate cumulative distribution function, where both the marginal probability distribution and the codependence structure (given by t-copula) are calibrated on historical time series.

The diversification benefit is defined as relative reduction in VaR of the aggregated portfolio compared to sum of standalone VaRs of all positions.

Stresstesting is a complementary risk calculation methodology which shows sensitivities of the portfolio value with respect to pre-defined historic or parametric scenarios. Unlike the MC VaR, where correlated random shocks are applied to the risk factors, during stresstesting manually pre-defined shocks are applied. Explicit shock values are given for historical scenarios:

Stresstest	Applied shocks
Financial Crisis 2008	Equity (-50%), Gold (+35%), REITs (-40%), Interest Rates@1Y (-200bp), Equity (-30%), Gold (-10%), REITs (-40%), Interest Rates@1Y (-50bp), Cryptoassets (-40%), Inflation Expectation@5Y (-20bp), Volatility Equity (+90%), FX EUR/USD (+5%)
Covid-19	Equity (-40%), Gold (+20%), Allianz (-60%), REITs (-40%), Interest Rates@5Y (+250bp), Cryptoassets (-70%), Inflation Expectation@5Y (+500bp), Corporate Spread (+200bp), FX EUR/USD (-10%)
CRISIS	Equity (-25%), Gold (+10%), REITs (-5%), Interest Rates@10Y (+250bp), Cryptoassets (-25%), Inflation Expectation@5Y (+300bp), Corp Spreads (+60bp)
Stagflation	Equity DM (15%), Equity EM (-30%) Interest Rates (IR)@1Y EUR (+100bp), IR@1Y USD (-100bp), FX EUR USD (-7%), FX EUR THB/KRW (-50%)
Asian Flu 1997	Equity (-30%), Interest Rates@1Y (+100bp), Volatility Equity (+150%)
DotCom 2000	Equity EM (-50%), Pacific (-40%), Europe (-30%) NA (-25%), FX EUR/USD (-7%), Gold (-8%)
Black Monday 1987	IR@1Y (+100bp), IR@20Y (-200bp)
Twist Positive	IR@1Y (-100bp), IR@20Y (+200bp)
Twist Negative	IR@1Y (+200bp), IR@10Y (-100bp), IR@20Y (+200bp)
Butterfly Positive	IR@1Y (-200bp), IR@10Y (+100bp), IR@20Y (-200bp)
Butterfly Negative	

Assessing country risk

The ND-GAIN country sub-index *readiness score* measures a country's ability to make effective use of investments to adapt actions because of safe and efficient business environment. The three components economic (doing business and investment climate based on Worldbank data), governance (stability of society, regulatory quality, rule of law) and social (social inequality, infrastructure) are combined into one score. See <https://gain.nd.edu> for further information.

Action recommendation (experimental)

The following actions are recommended by a LLM and have been generated by AI. This is an experimental feature only, apply common sense in following actions:

No LLM recommendations available. LM Studio server is not running. Please start the Local Server in LM Studio.