

CI Premier

Climate Impact Assessment

OVERVIEW

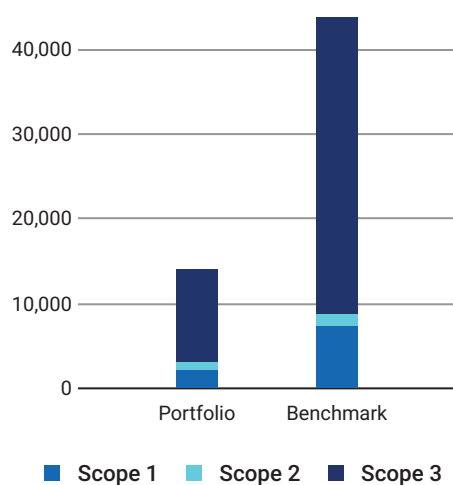
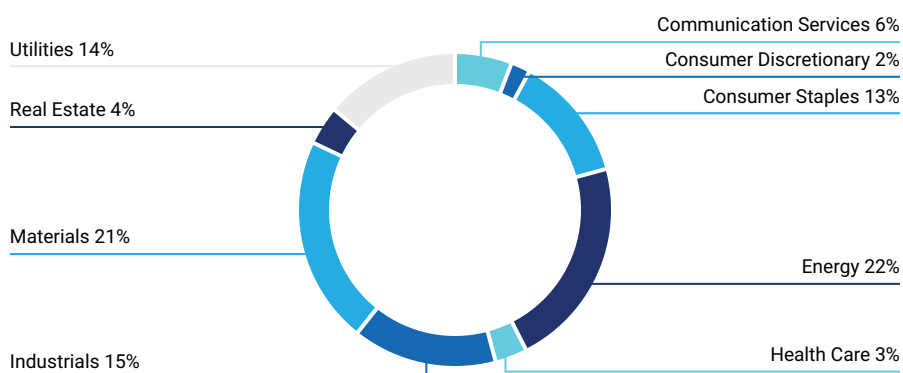
DATE OF HOLDINGS	COVERAGE
30 SEP 2020	94.23%
AMOUNT INVESTED	BENCHMARK USED
93,477,833 EUR	BENCHMARK PREMIER
PORTFOLIO TYPE	
FIXED_INCOME	

Carbon Metrics 1 of 3

Portfolio Overview

Disclosure Number/Weight		Emission Exposure tCO ₂ e			Relative Emission Exposure tCO ₂ e/Mio EUR Revenue		Climate Performance Weighted Avg
Share of Disclosing Holdings		Scope 1 & 2	Incl. Scope 3	Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating ¹
Portfolio	88.7% / 89%	3,018	13,993	32.29	80.05	95.90	42
Benchmark	75.9% / 62.1%	8,608	43,702	92.09	277.46	177.41	37
Net Performance	12.8 p.p. / 26.9 p.p.	64.9%	68%	64.9%	71.1%	45.9%	—

Emission Exposure Analysis

Emissions Exposure (tCO₂e)Sector Contributions to Emissions²¹ Note: Carbon Risk Rating data is current as of the date of report generation.² Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Emission Exposure Analysis (continued)

Top 10 Contributors to Portfolio Emissions

Issuer Name	Contribution to Portfolio Emission Exposure (%)	Portfolio Weight (%)	Emissions Reporting Quality	Carbon Risk Rating
Mondi plc	20.22%	1.69%	Strong	● Outperformer
Galp Energia SGPS SA	15.55%	1.65%	Strong	● Laggard
ERG spa	10.19%	1.73%	Strong	● Leader
Neste Corp.	5.96%	2.22%	Strong	● Laggard
Prysmian SpA	5.09%	2.22%	Strong	● Medium Performer
Johnson Controls International Plc	4.54%	2.14%	Moderate	● Medium Performer
Fomento Economico Mexicano SAB de CV	4.33%	2.25%	Strong	● Medium Performer
Snam SpA	3.63%	2.26%	Strong	● Medium Performer
Digital Realty Trust, Inc.	3.48%	2.21%	Moderate	● Medium Performer
Prosegur Compania de Seguridad SA	2.43%	1.64%	Inconsistent	● Laggard
Total for Top 10	75.41%	20.01%		

■ Carbon Metrics 2 of 3

Emission Attribution Analysis

Emission Attribution Analysis examines the extent to which higher or lower GHG exposure between the portfolio and the benchmark can be attributed to sector allocation versus issuer selection. A portfolio with a larger amount of assets allocated to an emissions-intensive sector will ultimately have higher GHG emissions exposure. However, this can be offset by the selection of less emissions-intensive issuers from that sector. This analysis relates to the carbon footprint of the portfolio, specifically the Emissions Scope 1 & 2 (tCO₂e) and Relative Carbon Footprint (tCO₂e/Mio Invested) metrics.
















The subsequent table identifies the most emissions-intensive issuers in the analysis, the comparative weight for each issuer between the portfolio and benchmark, as well as the sector allocation and issuer selection effects. A positive (green) number represents less greenhouse gas exposure for the issuer in the portfolio relative to the benchmark.

Top Sectors to Emission Attribution Exposure vs. Benchmark

Sector	Portfolio Weight	Benchmark Weight	Difference	Sector Allocation Effect	Issuer Selection Effect
Communication Services	11.02%	4.76%	6.26%	-0.89%	-0.46%
Consumer Discretionary	5.17%	4.14%	1.03%	-0.31%	0.86%
Consumer Staples	15.19%	4.19%	11%	-4%	1.03%
Energy	3.87%	4.63%	-0.76%	3.73%	11.48%
Financials	14.65%	47.93%	-33.28%	0.8%	0.25%
Health Care	13.27%	5.18%	8.09%	-0.7%	0%
Industrials	15.07%	4.78%	10.29%	-6.79%	4.79%
Information Technology	3.01%	3.8%	-0.78%	0.06%	0.22%
Materials	3.37%	1.69%	1.69%	-11.64%	15.86%
Other	3.82%	11.12%	-7.3%	15.24%	7.74%
Real Estate	7.56%	2.41%	5.15%	-0.6%	-0.5%
Utilities	4%	5.39%	-1.39%	8.67%	20.11%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				3.56%	61.38%
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				65%	

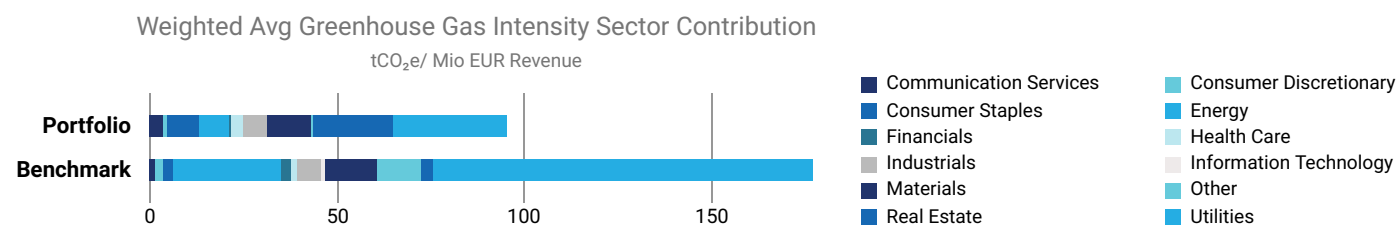
Emission Attribution Analysis (continued)

Highest Emission-Intense Issuers in Combined Portfolio & Benchmark Universe

Issuer Name	Sector	Emission Exposure Scope 1 & 2 (tCO ₂ e)	Carbon Risk Rating	Portfolio Under (-) / Overexposure (+)	
1. Korea East-West Power Co., Ltd.	NotCollected	13,476.98	-		-0.06%
2. Vistra Energy Corp.	Utilities	7,948.68	● Medium Performer		-0.07%
3. HeidelbergCement AG	Materials	3,923.41	● Medium Performer		-0.05%
4. LafargeHolcim Ltd.	Materials	3,874.36	● Medium Performer		-0.03%
5. Petrolia Nasional Bhd.	NotCollected	3,444.98	-		-0.05%
6. China Petrochemical Corp.	NotCollected	3,290.46	-		-0.19%
7. Nucor Corporation	Materials	2,567.68	● Medium Performer		-0.02%
8. Vattenfall AB	NotCollected	2,552.89	● Outperformer		-0.03%
9. Gazprom PJSC	Energy	2,406.17	● Laggard		-0.08%
10. Bluescope Steel Limited	Materials	2,295.71	● Medium Performer		-0.05%
11. CEZ as	Utilities	1,999.52	● Medium Performer		-0.03%
12. Husky Energy Inc.	Energy	1,898.57	● Laggard		-0.04%
13. The AES Corporation	Utilities	1,835.59	● Medium Performer		0%
14. Polski Koncern Naftowy Orlen SA	Energy	1,786.66	● Laggard		0%
15. Electricity Supply Board	NotCollected	1,623.3	● Medium Performer		-0.03%

Carbon Metrics 3 of 3

Greenhouse Gas Emission Intensity

Top 10 Emission Intense Companies (tCO₂e Scope 1 & 2/Revenue Millions)

Issuer Name	Emission Intensity	Peer Group Avg Intensity
1. ERG spa	987.53	4,798.93
2. Digital Realty Trust, Inc.	857.34	201.36
3. Snam SpA	598.28	323.52
4. Mondi plc	586.29	544.86
5. Neste Corp.	207.95	355.96
6. Galp Energia SGPS SA	198.09	978.93
7. MERLIN Properties SOCIMI SA	108.99	219.04
8. Symrise AG	100.58	223.64
9. Johnson Controls International Plc	86.67	127.07
10. Mowi ASA	79.13	240.44

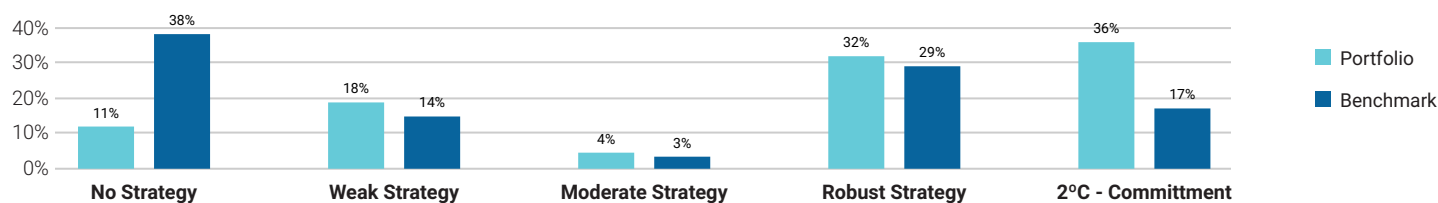
■ Climate Scenario Analysis 1 of 2

In order to transition, holdings need to commit to align with the international climate goals and progress on those in the future. Currently, 35.64% of the portfolio's value is committed to such a goal. While this is not a guarantee to reach this goal, the currently 11.02% of the portfolio without a goal is certainly unlikely to transition and should receive special attention from a climate risk conscious investor.

Portfolio Compliance with Emission Budget per Scenario				
	2020	2030	2040	2050
2°	59.71%	82.82%	117.23%	148.31%
4°	56.06%	57.22%	59.49%	63.33%
6°	52.96%	48.71%	46.52%	45.22%

2035 Until the year 2035, portfolio is aligned with a 2° Celsius warming scenario.

Climate Strategy Assessment (% Portfolio Weight)

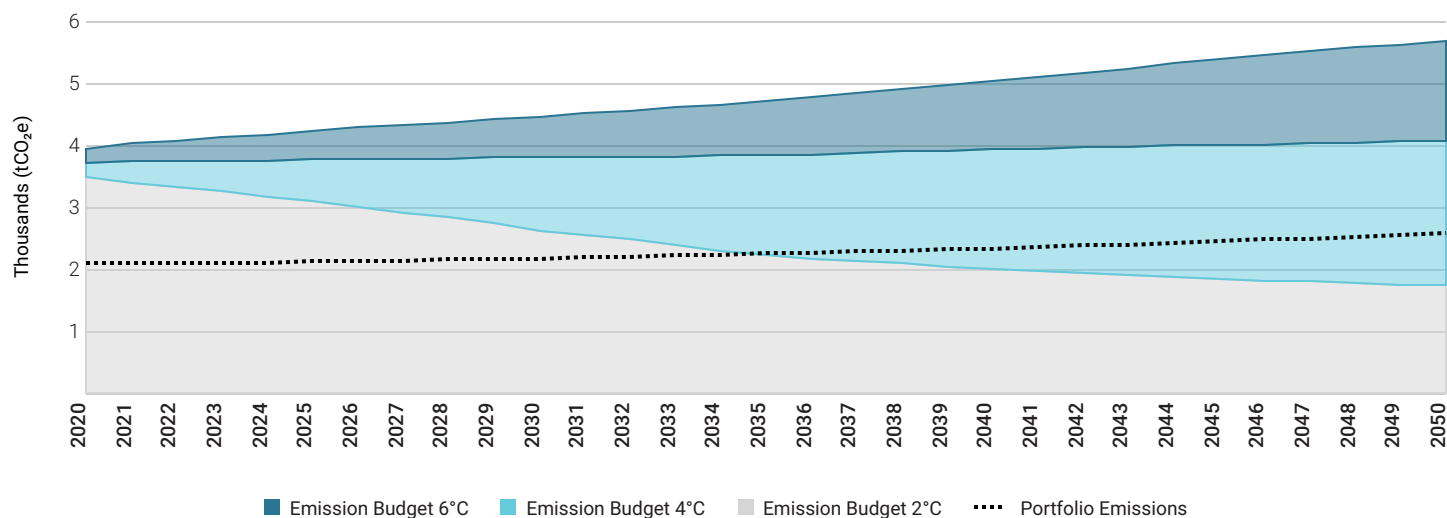


Scenario Analysis

The climate scenario environment alignment compares current and future portfolio greenhouse gas emissions with the carbon budgets for a below 2 degree Celsius scenario as well as warming scenarios of 4 degrees and 6 degrees Celsius until 2050.

The CI Premier strategy in its current state will be misaligned with a 2 degree Celsius scenario by 2035. Only by re-allocating investments or by helping holdings to transition, a longer-lasting 2 degree alignment can be achieved.

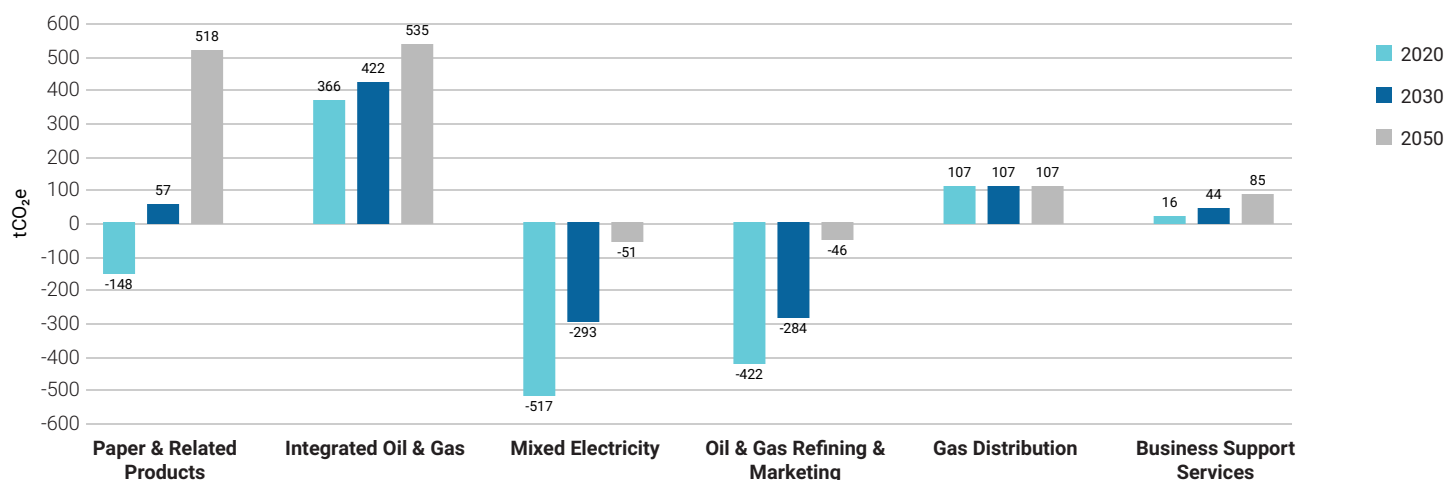
Portfolio Emission Pathway vs. Climate Scenarios



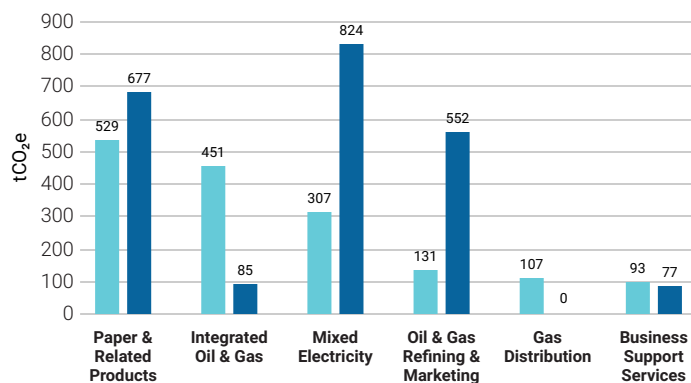
■ Climate Scenario Analysis 2 of 2

To contain average global warming to below 2 degrees Celsius, portfolio holdings in certain sectors are still aligned (-), while others are already beyond (+) the emission budget for a 2 degrees Celsius pathway.

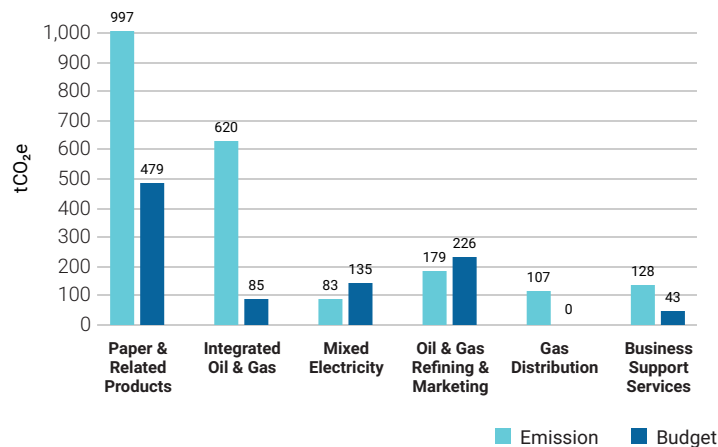
Portfolio Emissions vs. Emission Budget per Sector - Under (-)/Outperformance (+) of the 2°C Scenario Requirements



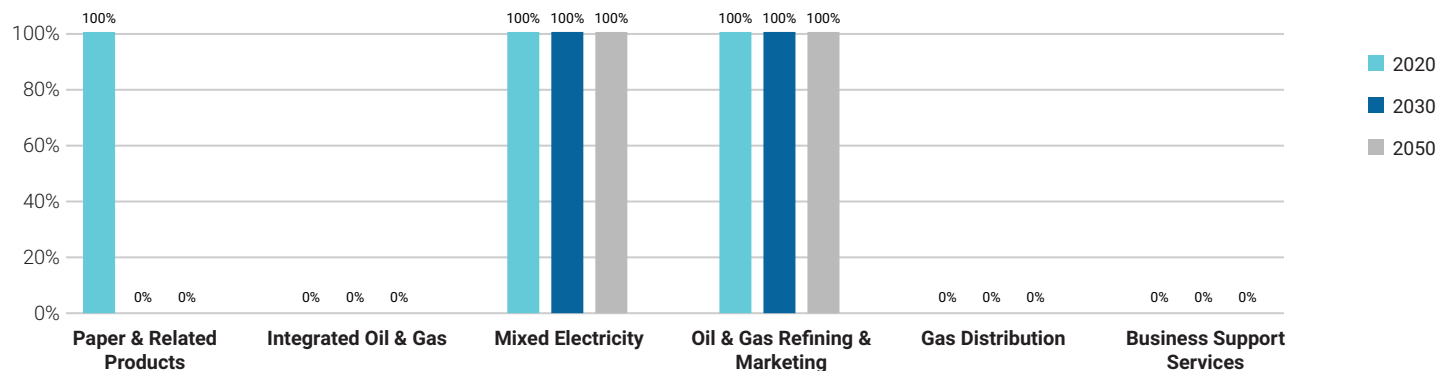
Sector Emissions vs. 2°C Emission Budget for 2020



Sector Emissions vs. 2°C Emission Budget for 2050



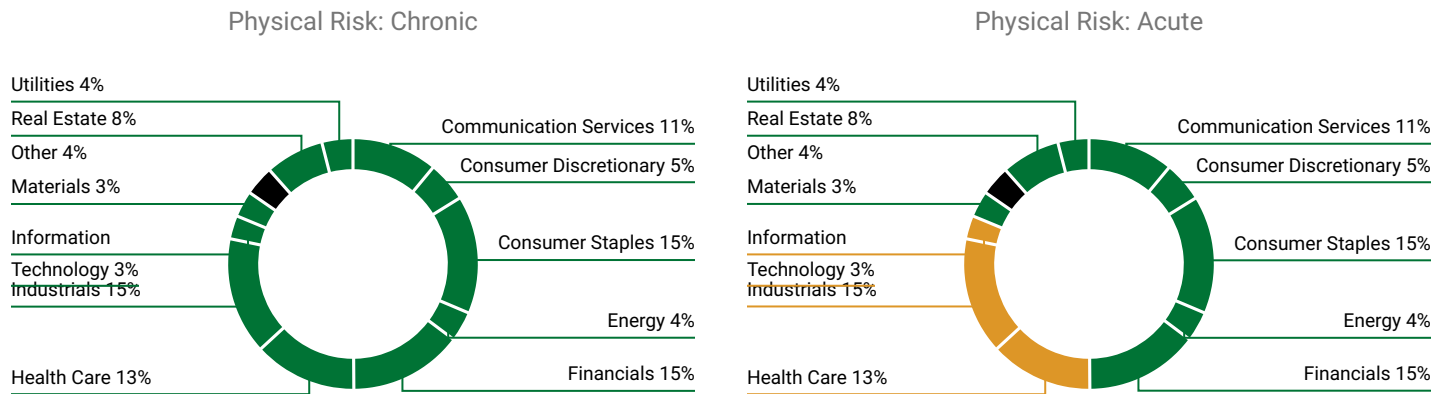
Percentage of Holdings 2°C Aligned in 2020, 2030, and 2050



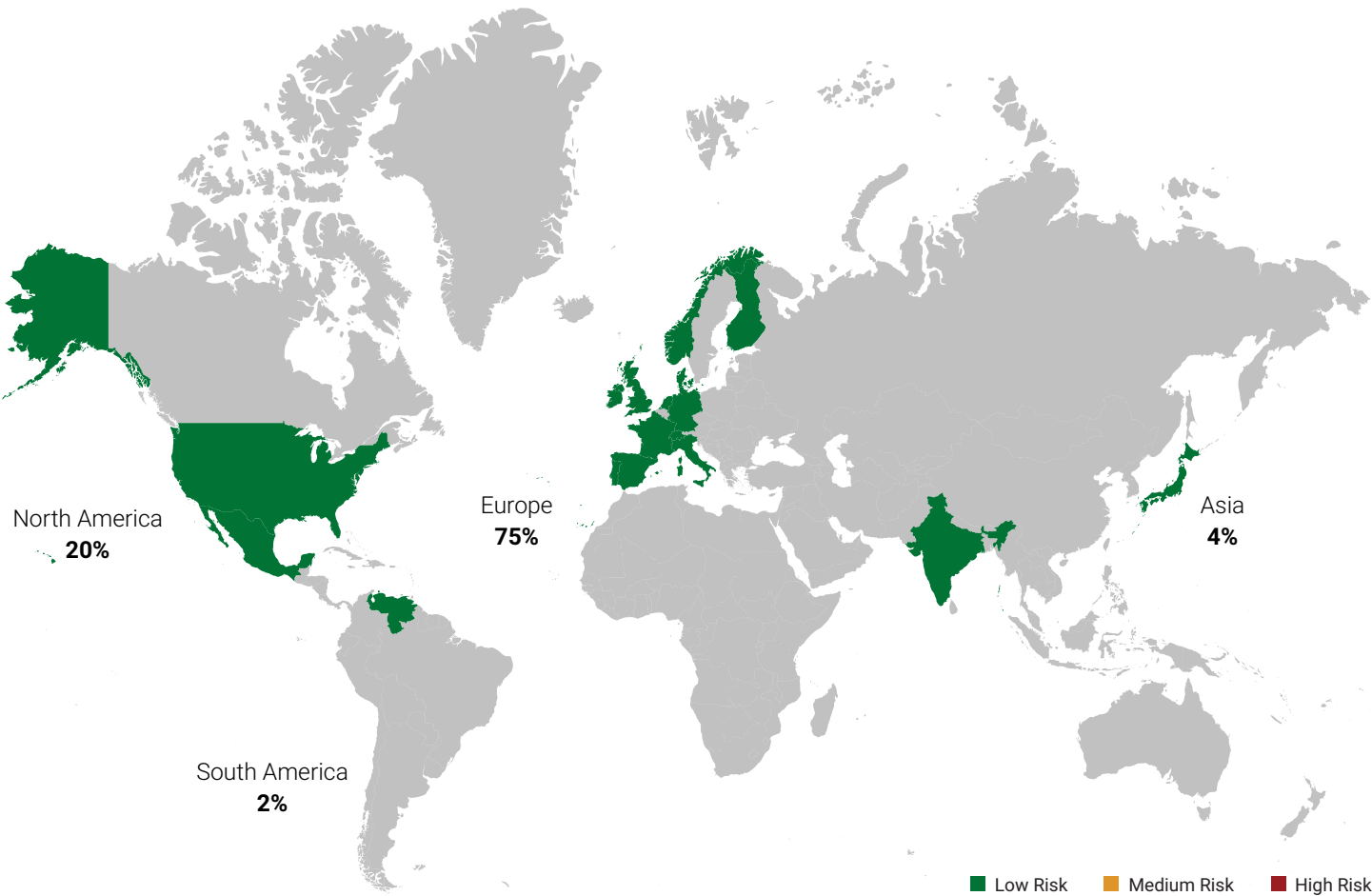
Physical Climate Risk Analysis

Rising temperature levels, even if limited to 2° Celsius, will result in changes of the climate system resulting in physical risks. Physical risks can be classified into long term weather changes and extreme weather events such as storms, floods, or droughts. Companies’ exposure to these two types of physical risk depends on two main factors: their sector as well as the geographical region they are active in.

Sector Exposure: Chronic and Acute Physical Risk



Percent of Holdings Directly Exposed to Geographic & Associated Sector Risk



■ Transition Climate Risk Analysis 1 of 3

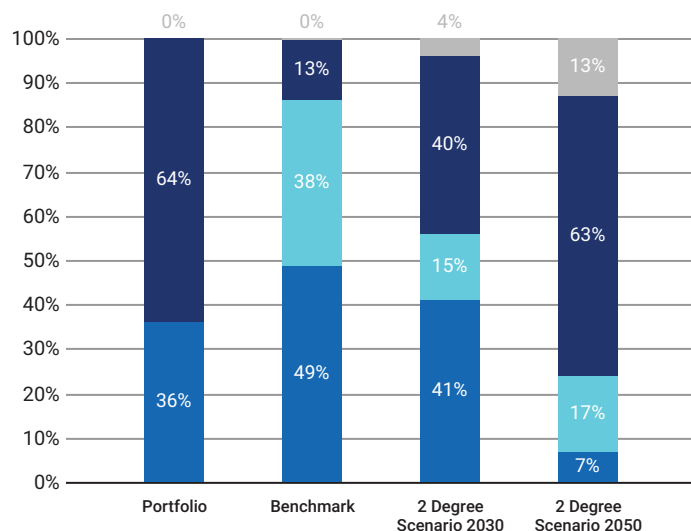
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (brown) sources. For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk. The Carbon Risk Rating (1-100) provides a view on how well the respective portfolio and benchmark holdings are managing such risks.

Transition Analysis Overview

	Power Generation		Reserves		Climate Performance
	% Generation Output Green Share	% Generation Output Brown Share	% Investment Exposed to Fossil Fuels	Total Potential Future Emissions (ktCO ₂)	Weighted Avg Carbon Risk Rating
Portfolio	63.75%	36.25%	1.65%	19.81	42
Benchmark	13.29%	48.5%	5.96%	196.3	37

Power Generation

Power Generation Exposure
(Portfolio vs. Benchmark vs. Climate Target)



For a decarbonized future economy, it is key to transition the energy generation mix from fossil to renewable sources. Utilities relying on fossil power production without a substitute plan might run a higher risk of getting hit by climate change regulatory measures as well as reputational damages. The graph on the left compares the energy generation mix of the portfolio with the benchmark and a 2 degree Celsius compatible mix in 2030 and 2050, according to the International Energy Agency. Below, the 5 largest Utility holdings can be compared on fossil versus renewable energy production capacity, their contribution to the overall portfolio greenhouse gas emission exposure and their production efficiency for 1 GWh of electricity.

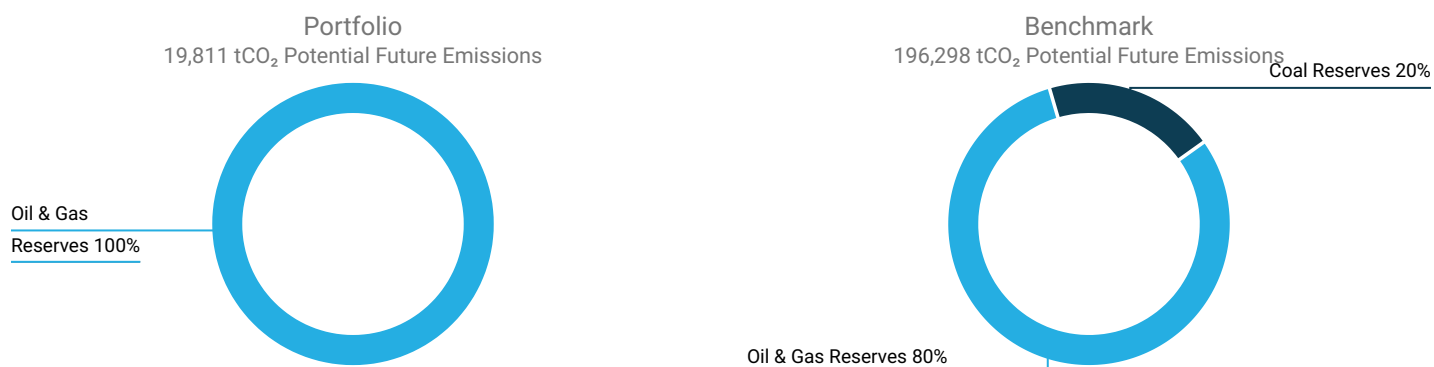
■ Fossil Fuels ■ Nuclear ■ Renewables ■ Other

Top 5 Utilities' Fossil vs. Renewable Energy Mix

Issuer Name	% Fossil Fuel Capacity	% Renewable Energy Capacity	% Contribution to Portfolio Emissions	Emissions tCO ₂ e Scope 1 & 2 /GWh
ERG spa	15.6%	84.4%	10.19%	135.11
Snam SpA	0%	0%	3.63%	-
Kutxabank SA	0%	0%	0%	-
La Corporacion Andina de Fomento SA	0%	0%	0%	-

■ Transition Climate Risk Analysis 2 of 3

For fossil reserve owning companies, potential future greenhouse gas emissions might indicate stranded asset risk, as about 80% of those reserves need to stay in the ground to not exceed 2 degrees Celsius of warming. The portfolio contains 19,811 tCO₂ of potential future emissions, of which 0% stem from Coal reserves, 100% from Oil and Gas reserves. Investor focus is often on the 100 largest Oil & Gas and 100 largest Coal reserve owning companies, to understand the exposure to these top 100 lists.



Exposure to the 100 Largest Oil & Gas and Coal Reserve Owning Assets

Issuer Name	Contribution to Portfolio Potential Future Emissions	Oil & Gas Top 100 Rank	Coal Top 100 Rank
Galp Energia SGPS SA	100%	-	-
Barry Callebaut AG	0%	-	-
Telecom Italia SpA	0%	-	-
Seb SA	0%	-	-
Snam SpA	0%	-	-

Unconventional and controversial energy extraction such as "Fracking" and Arctic Drilling is a key focus for investors, both from a transition and a reputation risk perspective.

Exposure to Controversial Business Practices

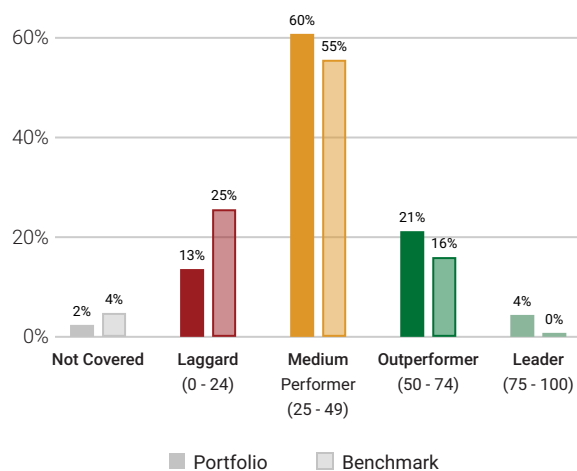
Issuer Name	Portfolio Weight	Arctic Drilling	Hydraulic Fracturing	Oil Sands	Shale Oil and/or Gas
Siemens AG	2.19%	-	Services	-	Services

■ Transition Climate Risk Analysis 3 of 3

Portfolio Carbon Risk Rating

The Carbon Risk Rating (CRR) assesses how an issuer is exposed to climate risks and opportunities, and whether these are managed in a way to seize opportunities, and to avoid or mitigate risks. It provides investors with critical insights into how issuers are prepared for a transition to a low carbon economy and is a central instrument for the forward-looking analysis of carbon-related risks at portfolio and issuer level.

CRR Distribution Portfolio vs. Benchmark



Avg Portfolio CRR and Spread for Selected ISS ESG Rating Industries

ISS ESG Rating Industry ¹	Average Carbon Risk Rating	
Renewable Energy (Operation) & Energy Efficiency Equipment	<div></div>	98
Utilities/Electric Utilities	<div></div>	76
Financials/Commercial Banks & Capital Markets	<div></div>	42
Food & Beverages	<div></div>	41
Electronic Components	<div></div>	35
Machinery	<div></div>	34
Oil, Gas & Consumable Fuels	<div></div>	28
Transportation Infrastructure		-
Oil & Gas Equipment/Services		-
Transport & Logistics		-

Top 5 ²	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Vestas Wind Systems A/S	Denmark	Renewable Energy & Energy Efficiency Equipment	98	1.67%
ERG spa	Italy	Utilities/Electric Utilities	76	1.73%
RELX Plc	United Kingdom	Media	69	2.14%
Mondi plc	United Kingdom	Paper & Forest Products	63	1.69%
Sanofi	France	Pharmaceuticals & Biotechnology	62	1.13%

Bottom 5 ²	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
Prosegur Compania de Seguridad SA	Spain	Commercial Services & Supplies	15	1.64%
Aroundtown SA	Luxembourg	Real Estate	18	1.73%
Neste Corp.	Finland	Oil, Gas & Consumable Fuels	21	2.22%
Galp Energia SGPS SA	Portugal	Oil, Gas & Consumable Fuels	22	1.65%
Bharti Airtel Limited	India	Telecommunications	23	1.76%

■ Climate Laggard (0 - 24) ■ Climate Medium Performer (25 - 49) ■ Climate Outperformer (50 - 74) ■ Climate Leader (75 - 100)

¹ The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

² Multiple issuers may have the same CRR value. In the event the Top 5 and Bottom 5 tables have more than one issuer in the last position due to a tie in CRR values, the weight of the issuers in the portfolio will determine the issuer assigned to the table.

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