

CI Iberian Equity

Climate Impact Assessment

OVERVIEW

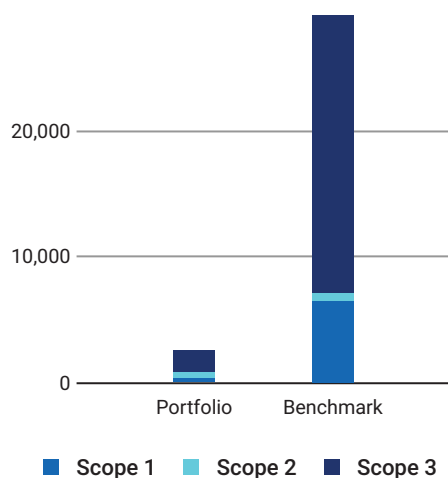
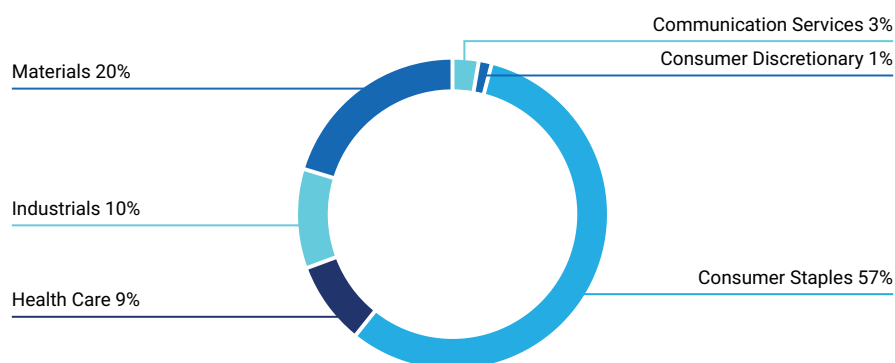
DATE OF HOLDINGS
31 MAR 2021COVERAGE
95.1%AMOUNT INVESTED
23,763,396 EURBENCHMARK USED
Ibex 35PORTFOLIO TYPE
EQUITY

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	75% / 80.4%	724	2,487	30.47	76.91	91.37	59
Benchmark	97.1% / 99.1%	7,018	29,178	295.34	299.01	222.39	58
Net Performance	-22.1 p.p. / -18.7 p.p.	89.7%	91.5%	89.7%	74.3%	58.9%	—

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.

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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
Viscofan SA	32.23%	4.96%	Moderate	● Medium Performer
Jeronimo Martins SGPS SA	17.87%	5.43%	Strong	● Outperformer
Vidrala SA	14.99%	6.51%	Non-Reporting	● Medium Performer
Ferrovial SA	8.12%	4.68%	Moderate	● Medium Performer
Grifols SA	6.02%	9.95%	Strong	● Leader
Corticeira Amorim SGPS SA	5.21%	4.90%	Moderate	-
Wal-Mart de Mexico SAB de CV	4.30%	3.05%	Strong	● Medium Performer
Cellnex Telecom SA	2.70%	10.02%	Strong	● Medium Performer
Coca-Cola European Partners Plc	2.01%	5.05%	Strong	● Outperformer
Faes Farma SA	1.81%	5.23%	Non-Reporting	-
Total for Top 10	95.25%	59.78%		

■ 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	10.02%	10.41%	-0.39%	0.03%	0.56%
Consumer Discretionary	13.48%	12.17%	1.32%	-0.06%	0.44%
Consumer Staples	18.5%	0.6%	17.9%	-12%	6.59%
Health Care	18.57%	2.47%	16.1%	-0.86%	0.11%
Industrials	14.03%	14.19%	-0.16%	0.29%	24.82%
Information Technology	8.63%	6.21%	2.41%	-0.01%	0.01%
Materials	11.4%	1.84%	9.56%	-157.58%	185.87%
Utilities	5.37%	23.56%	-18.19%	17.34%	5.09%
Energy	0%	3.61%	-3.61%	18.68%	0%
Financials	0%	23.51%	-23.51%	0.32%	0%
Real Estate	0%	1.44%	-1.44%	0.05%	0%
Cumulative Higher (-) and Lower (+) Emission Exposure vs. Benchmark				-133.8%	223.48%
Higher (-) / Lower (+) Net Emission Exposure vs. Benchmark				90%	

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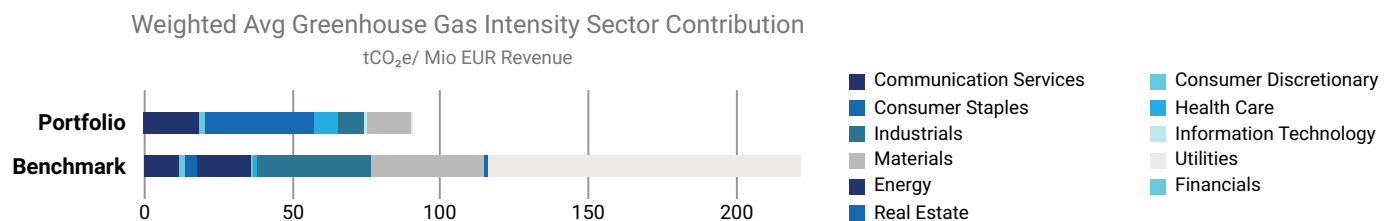
Emission Attribution Analysis (continued)

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. ArcelorMittal SA	Materials	7,024.66	● Medium Performer	<div></div>	-1.19%
2. International Consolidated Airlines Group ...	Industrials	2,661.33	● Medium Performer	<div></div>	-2.53%
3. Repsol SA	Energy	1,529.88	● Medium Performer	<div></div>	-3.61%
4. Acerinox SA	Materials	962.89	-	<div></div>	-0.66%
5. Naturgy Energy Group SA	Utilities	822.26	● Outperformer	<div></div>	-1.77%
6. Endesa SA	Utilities	761.8	● Medium Performer	<div></div>	-2.08%
7. ACS Actividades de Construccion y Servi...	Industrials	401.1	● Medium Performer	<div></div>	-1.91%
8. Iberdrola SA	Utilities	216.83	● Outperformer	<div></div>	-15.36%
9. Viscofan SA	Consumer Staples	198.05	● Medium Performer	4.36%	<div></div>
10. CIE Automotive SA	Consumer Discretionary	165.09	-	<div></div>	-0.48%
11. Melia Hotels International SA	Consumer Discretionary	122.35	-	<div></div>	-0.24%
12. Jeronimo Martins SGPS SA	Consumer Staples	100.16	● Outperformer	5.43%	<div></div>
13. Red Electrica Corp. SA	Utilities	98.92	● Outperformer	<div></div>	-1.78%
14. Vidrala SA	Materials	70.21	● Medium Performer	6.51%	<div></div>
15. Enagas SA	Utilities	64.05	● Outperformer	<div></div>	-1.06%

■ 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. Viscofan SA	636.26	120.39
2. Cellnex Telecom SA	189.84	83.14
3. Vidrala SA	184.33	408.42
4. Ferrovial SA	142.23	309.96
5. Wal-Mart de Mexico SAB de CV	66.99	55.53
6. Corticeira Amorim SGPS SA	55.84	583.29
7. Jeronimo Martins SGPS SA	48.45	56.56
8. Grifols SA	47.84	20.58
9. Laboratorios Farmaceuticos Rovi SA	45.20	100.69
10. Zardoya Otis SA	44.91	79.06

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■ Climate Scenario Alignment 1 of 2

Alignment Analysis

The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Stated Policies Scenario (STEPS) and the Current Policies Scenario (CPS). Performance is shown as the percentage of assigned budget used by the portfolio and benchmark.

The CI Iberian Equity strategy in its current state is MISALIGNED with a SDS scenario by 2050. The CI Iberian Equity has a potential temperature increase of 1.9°C, whereas the Ibex 35 has a potential temperature increase of 2.8°C.

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)				
	2021	2030	2040	2050
Portfolio	-73.5%	-53.41%	+4.6%	+80.02%
Benchmark	-7.39%	+21.93%	+94.36%	+193.84%

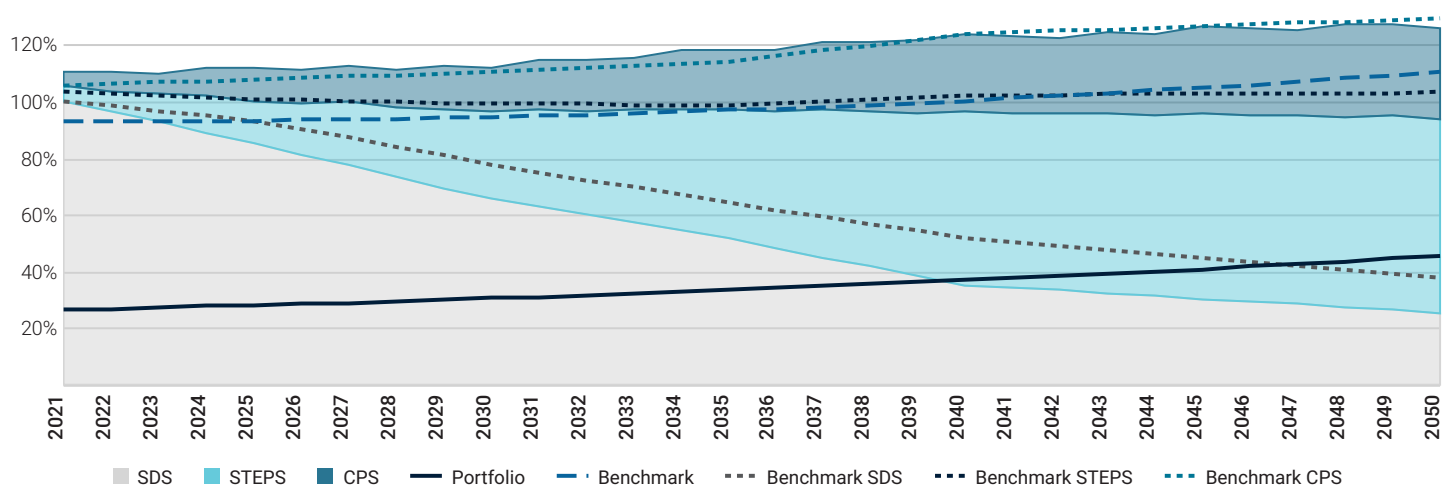
2040

The portfolio exceeds its SDS budget in 2040.

1.9°C

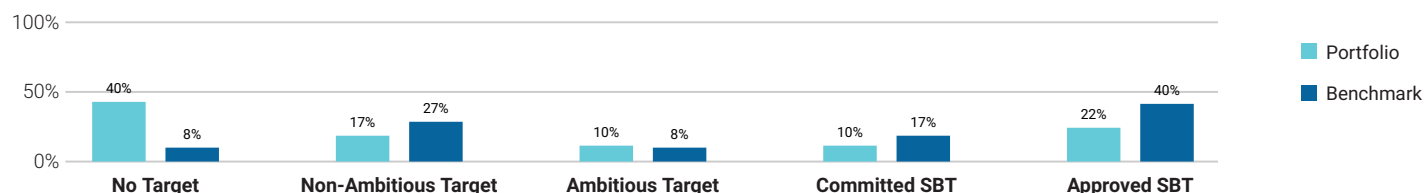
The portfolio is associated with a potential temperature increase of 1.9°C by 2050.

Portfolio Emission Pathway vs. Climate Scenarios Budgets



Climate Targets Assessment (% Portfolio Weight)

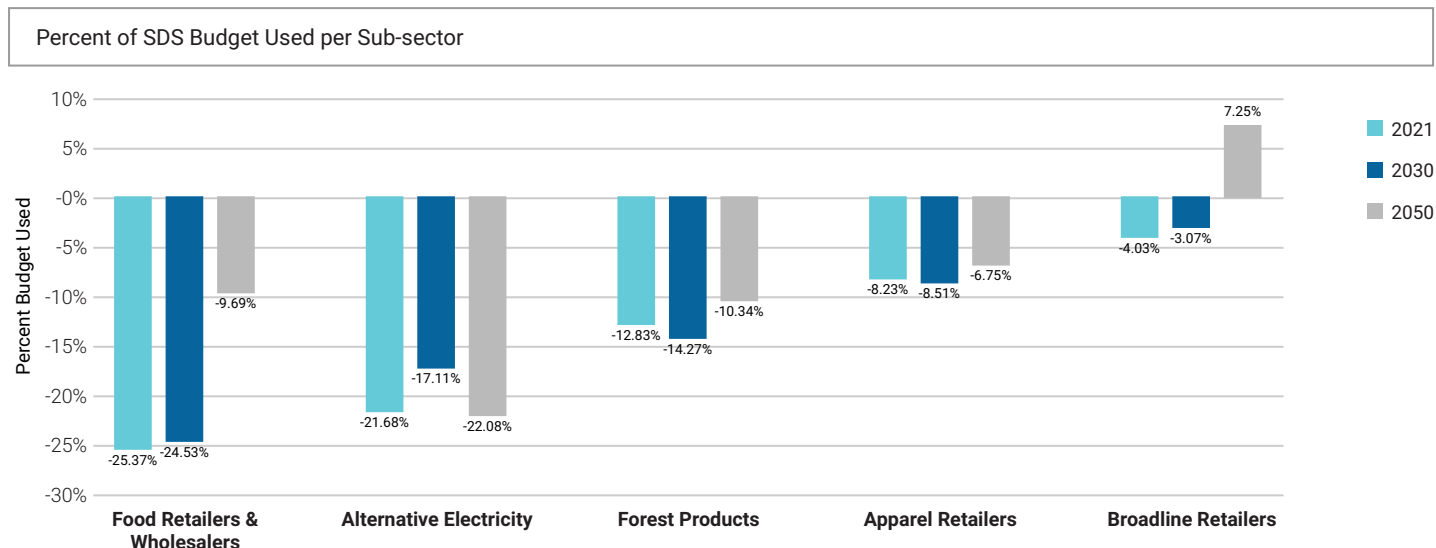
In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 42% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 40% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



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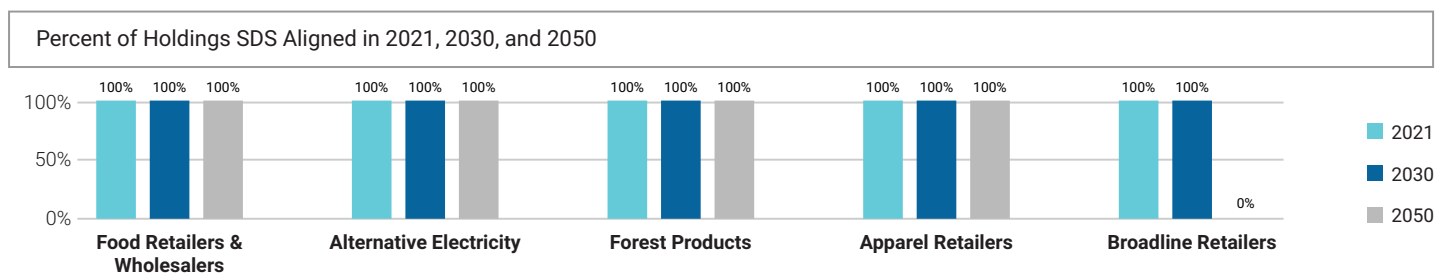
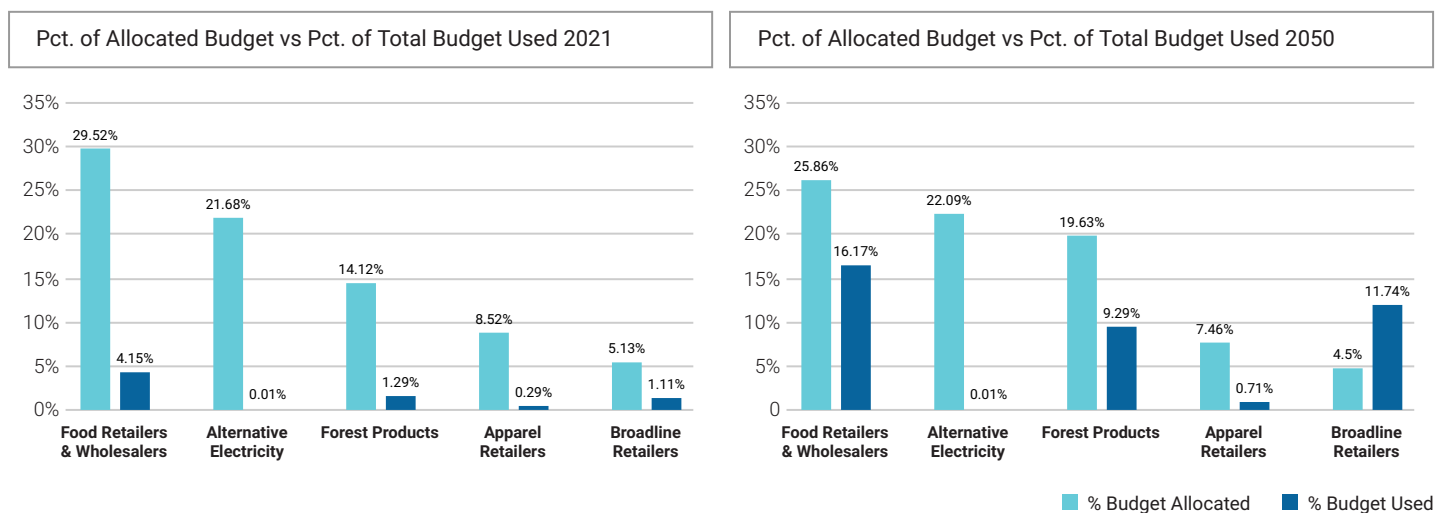
■ Climate Scenario Alignment 2 of 2

The table below shows the percent of the SDS budget used in 2021, 2030, and 2050 for key sub-sectors of the portfolio.



Percent of Allocated Budget vs. Percent of Total Budget Used

The budget allocated to the portfolio is dependent on the portfolio holdings. The graphs below compare the percent of the portfolio's SDS budget allocated to a defined sub-sector compared to the percent of the portfolio's budget used within the same sub-sector for the years 2020 and 2050.



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■ Transition Climate Risk Analysis 1 of 3

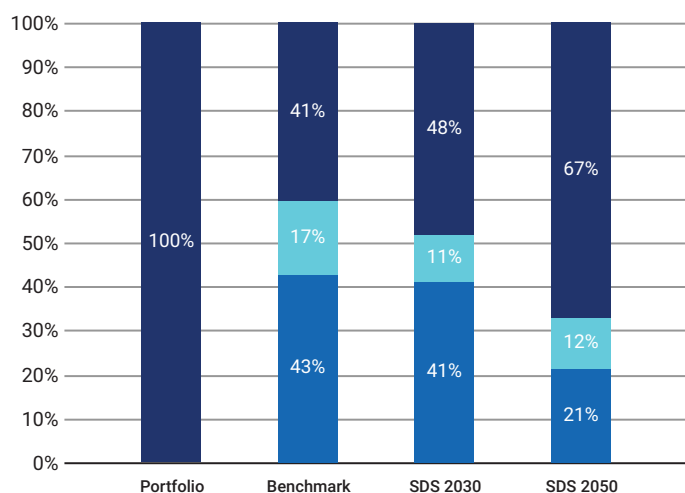
A decarbonized world needs to address both the demand side (for example Utilities burning fossil fuels) and the supply side (i.e. fossil reserves) of future emissions. For Utilities, it matters whether the power generated and power generation planned for the future stem from renewable (green) or fossil (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	100%	-	-	-	59
Benchmark	40.64%	42.66%	4.79%	40.88	58

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 Sustainable Development Scenario (SDS) 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

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
EDP Renovaveis SA	0%	100%	0.29%	0.96

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■ 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 0 tCO₂ of potential future emissions, of which - stem from Coal reserves, - 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
No Applicable Data			

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
No Applicable Data					

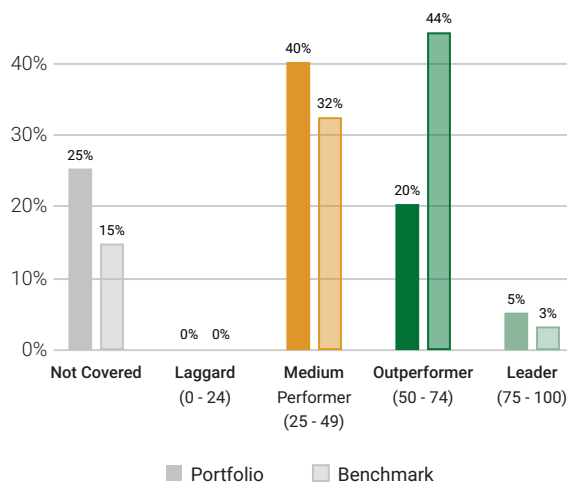
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■ Transition Climate Risk Analysis 3 of 3

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	100	100
Machinery	100	100
Transportation Infrastructure	48	48
Food & Beverages	48	48
Utilities/Electric Utilities	-	-
Electronic Components	-	-
Financials/Commercial Banks & Capital Markets	-	-
Oil & Gas Equipment/Services	-	-
Oil, Gas & Consumable Fuels	-	-
Transport & Logistics	-	-

Top 5 ²	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
■ EDP Renovaveis SA	Spain	Renewable Electricity	100	5.37%
■ Siemens Gamesa Renewable Energy SA	Spain	Electrical Equipment	100	2.64%
■ Grifols SA	Spain	Pharmaceuticals & Biotechnology	80	9.95%
■ Industria de Diseno Textil SA	Spain	Textiles & Apparel	66	10.05%
■ Coca-Cola European Partners Plc	United Kingdom	Beverages	65	5.05%

Bottom 5 ²	Country	ISS ESG Rating Industry	CRR	Portfolio Weight (consol.)
■ Viscofan SA	Spain	Food Products	31	4.96%
■ StoneCo Ltd.	Cayman Islands	Digital Finance & Payment Processing	33	2.27%
■ Vidrala SA	Spain	Packaging	36	6.51%
■ MercadoLibre, Inc.	USA	Interactive Media & Online Consumer Services	39	3.43%
■ Ferrovial SA	Spain	Construction	46	4.68%

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

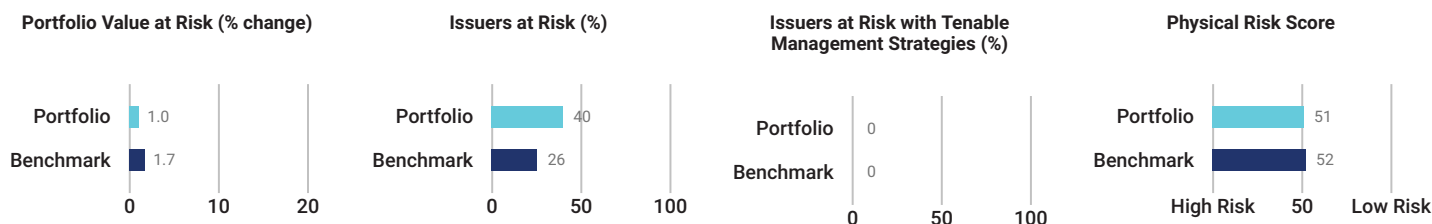
¹ The proprietary ISS ESG Rating industry Classification is intended to group companies from an ESG perspective and might differ from other classification systems.

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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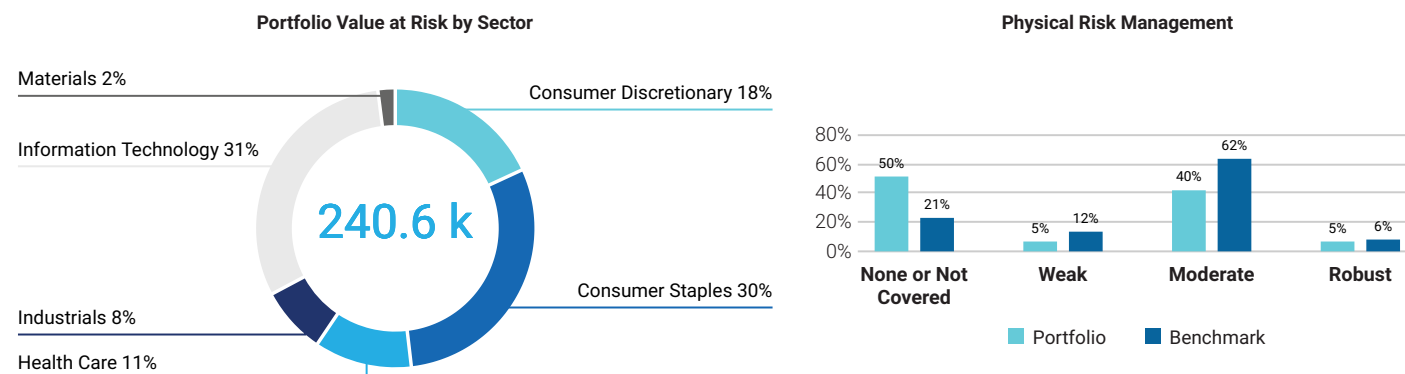
■ Physical Climate Risk Analysis 1 of 4

Rising temperature, even if limited to 2° Celsius, will change the climate system resulting in physical risks such as floods, droughts or storms. This analysis evaluates the most financially impactful climate hazards and how they might affect the portfolio's value.

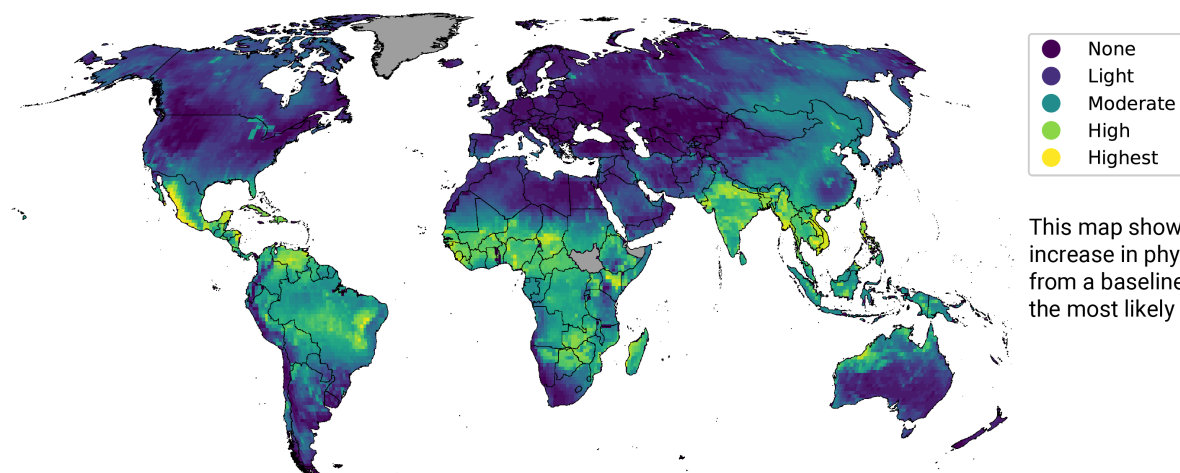


Portfolio Value at Risk and Physical Risk Management

Physical climate risk may affect the value of a company and a portfolio. The chart on the left quantifies the potential financial implications on a sector level. Such financial implications from physical effects of climate change can be addressed by adopting appropriate strategies. The chart on the right provides an overview of the robustness of risk management strategies for the portfolio holdings.



Physical Risk Exposure per Geography



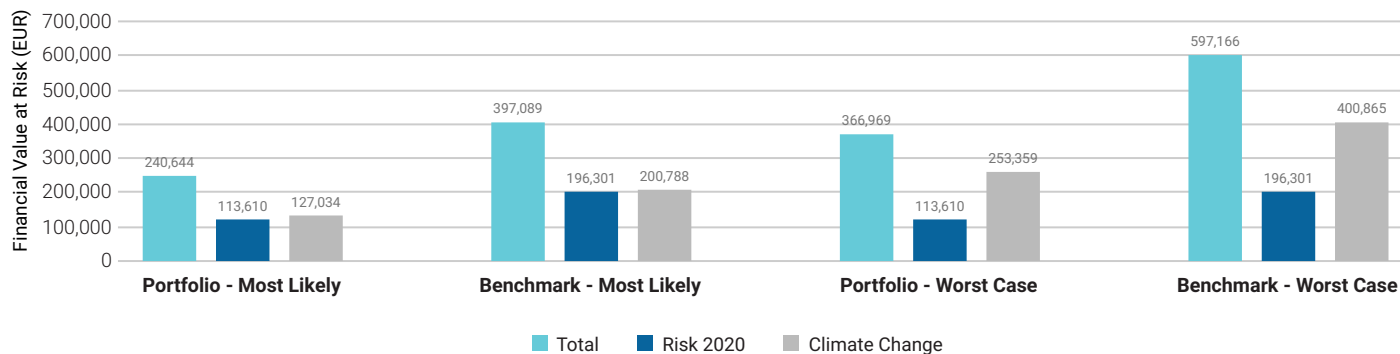
This map shows the estimated increase in physical risk exposure from a baseline year to 2050 in the most likely warming scenario.

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■ Physical Climate Risk Analysis 2 of 4

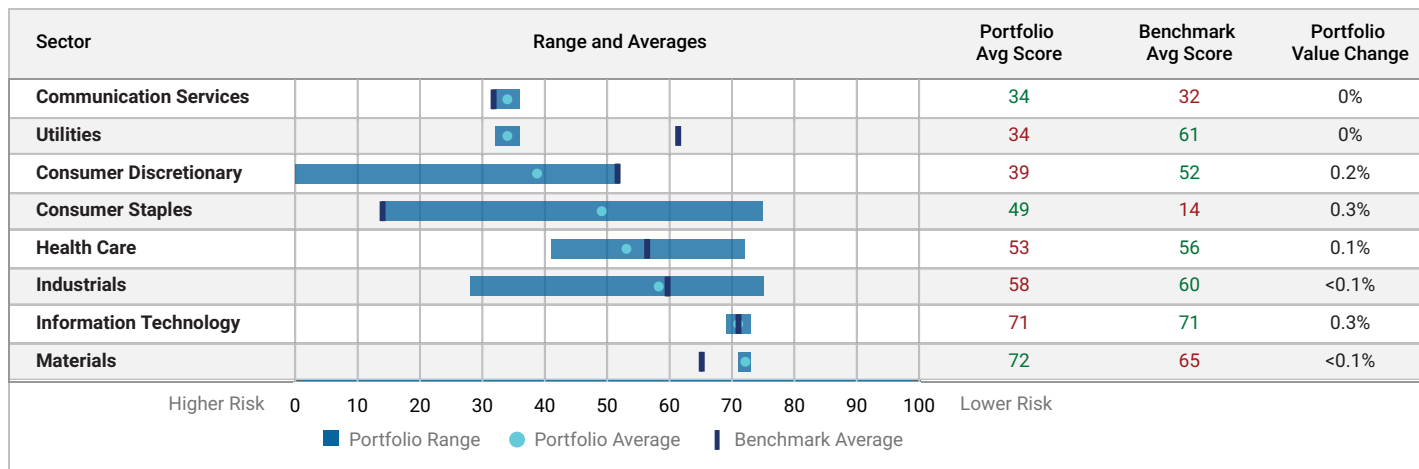
Change in Portfolio and Benchmark Value due to Physical Risk by 2050

Physical risk can impact future portfolio value. The chart below highlights potential impact on the portfolio value in 2050 based on current risk levels (Risk 2021), and hazards due to climate change (Climate Change), along with total anticipated net change in value. The analysis compares the portfolio to the benchmark using both the most likely and worst case scenarios.



Physical Risk Assessment per Sector

For key sectors, this chart provides the portfolio's overall physical risk score distribution as well as the average score. This is contrasted with the benchmark's average physical risk score and complemented by the sector impact on the portfolio's potential value change in a "most likely" scenario.

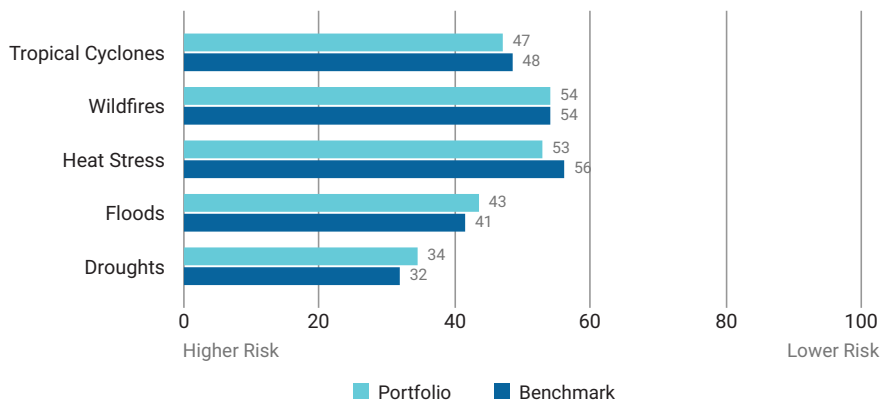


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■ Physical Climate Risk Analysis 3 of 4

Physical Risk Score per Hazard

The portfolio is exposed to different natural hazards in different geographies. This can affect the value of the portfolio and the performance between the portfolio and the benchmark. The chart on the right evaluates the scored effect on the portfolio's value from the most impactful hazards under the "most likely" scenario.



Top 5 Portfolio Holdings – Physical Risk and Management Scores

With physical risks of climate change unfolding, it is key to understand if and how portfolio holdings are addressing such risks. The Physical Risk Management Score gives an indication for the robustness of the measures in place. The table shows the largest portfolio holdings with their Physical Risk and Risk Management scores. A higher Physical Risk Score reflects a lower risk and a higher Management Score indicates a better management strategy.

Issuer Name	Portfolio Weight	Sector	Overall Physical Risk Score	Risk Mgmt Score
Coca-Cola European Partners Plc	5.05%	Consumer Staples	75	Not Covered
Zardoya Otis SA	2.24%	Industrials	75	Not Covered
Jeronimo Martins SGPS SA	5.43%	Consumer Staples	74	Moderate
Ferrovial SA	4.68%	Industrials	74	Moderate
Vidrala SA	6.51%	Materials	73	Not Covered

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■ Physical Climate Risk Analysis 4 of 4

Top 10 Portfolio Holdings by Highest Overall Risk Exposure with Hazard Scores (Most Likely Scenario)

The Physical Risk Score of each holding is impacted by the exposure to individual hazards. The table below shows the portfolio holdings that are most at risk and the potential hazards contributing to this in a "most likely" scenario. A higher Physical Risk Score reflects a lower risk.

Issuer Name	Overall Physical Risk	Flood	Drought	Wildfire	Heat Stress	Tropical Cyclones	Risk Mgmt Score
MercadoLibre, Inc.	0	40	0	86	0	64	Not Covered
Viscofan SA	14	0	0	100	7	0	Weak
Wal-Mart de Mexico SAB de CV	19	74	0	100	65	67	Moderate
Siemens Gamesa Renewable Energy SA	28	45	20	100	70	51	Moderate
Fluidra SA	31	34	0	100	0	41	Not Covered
Cellnex Telecom SA	34	0	0	0	63	0	Moderate
EDP Renovaveis SA	34	0	62	100	51	0	Not Covered
Faes Farma SA	41	67	26	0	42	79	Not Covered
Industria de Diseno Textil SA	52	15	0	64	49	38	Moderate
Grifols SA	53	45	42	100	69	37	Moderate

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