



ESG Risk Rating Portfolio Report

Portfolio Information		ESG Risk Rating Coverage	
Name	Number of Constituents	By Portfolio Weight	By Number of Constituents
Portfolio MIB ESG	40	100%	40
Benchmark MIB ESG Universe	60	100%	60

Overview

Sustainalytics' ESG Risk Ratings are designed to help investors identify and understand financially material ESG risks at the security and portfolio level and how they might affect the long-term performance for equity and fixed income investments. The ESG Risk Ratings combined with qualitative analyses, provide a differentiated risk signal and deeper insights into the materiality of certain ESG issues for a company and how effectively the company is managing these issues.

Portfolio

Benchmark



ESG Risk Rating (Unmanaged Risk)

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The ESG Risk Rating measures the degree to which a company's economic value is at risk driven by ESG factors, as assessed through Sustainalytics' calculation of the company's unmanaged ESG risks.

The portfolio's ESG risk is considered **Low**, and is 5% lower than the benchmark.

Overall Risk Rating
Score

Category

17.9

Low

18.9

Low



Exposure

Page 5

Overall, the portfolio's exposure to ESG issues is 2% higher than the benchmark.

Exposure
Score

Category

51.6

Medium

50.4

Medium



Management

Page 6

Overall, the portfolio's management of ESG issues is 6% stronger than the benchmark.

Management
Score

Category

69.6

Strong

66.0

Strong

ESG Risk Rating

Overall Risk Rating (Unmanaged Risk)

The ESG Risk Rating measures the degree to which a company's economic value is at risk driven by ESG factors, as assessed through Sustainalytics' calculation of the company's unmanaged ESG risks. Companies are placed into one of five risk categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a "high risk" assessment reflects a comparable degree of unmanaged ESG risk across the research universe, whether it refers to an agriculture company, a utility or any other type of company. One point of risk is the same, no matter which company or which issue it applies to, and points of risk add up across issues to create overall scores. Companies with lower Risk Ratings scores have lower ESG risk.

<ul style="list-style-type: none"> Portfolio Benchmark Divergence 	<p>The portfolio's ESG risk is considered Low, and is 5% lower than the benchmark.</p>	<p>Overall Risk Rating</p> <table border="0"> <tr> <td>Score</td> <td>Category</td> </tr> <tr> <td> 17.9</td> <td>Low</td> </tr> <tr> <td> 18.9</td> <td>Low</td> </tr> </table>	Score	Category	 17.9	Low	 18.9	Low
Score	Category							
 17.9	Low							
 18.9	Low							

ESG Risk Categories

Negligible: 0 - 10
Negligible risk of material financial impacts driven by ESG factors

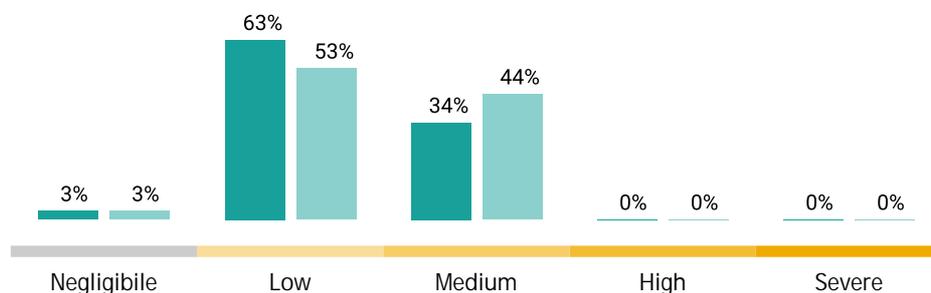
Low: 10 - 20
Low risk of material financial impacts driven by ESG factors

Medium: 20 - 30
Medium risk of material financial impacts driven by ESG factors

High: 30 - 40
High risk of material financial impacts driven by ESG factors

Severe: > 40 - 100
Severe risk of material financial impacts driven by ESG factors

ESG Risk Category by aggregate portfolio weight %



Average Score		ESG Risk Rating			
Arithmetic	Weighted	Median	Min.	Max.	Std. Dev.
17.1	17.9	16.6	7.8	29.2	4.9
18.3	18.9	18.5	7.8	29.2	5.5
-1.2	-1.0	-1.9	0.0	0.0	-0.5

Average Percentile		ESG Risk Rating Percentile*			
Arithmetic	Weighted	Median	Min.	Max.	Std. Dev.
21.0	24.0	16.8	2.0	67.0	16.0
26.0	28.0	23.3	2.0	67.0	18.0
-5.0	-2.0	-6.5	0.0	0.0	-2.0

*Percentiles are based on positioning within the full research universe. A low percentile means low risk.

Highest Risk Portfolio Constituents

Identifies the 10 constituents with the highest ESG Risk score in the portfolio

Company Name	Sector	ESG Risk				Weight		
		Score	Category	Exposure	Mgmt	Port	Bench	Active
Eni SpA	Energy	29.2	Medium	81.3	76.1	7.9%	5.8%	2.0%
Recordati SpA	Healthcare	25.9	Medium	45.4	46.0	1.4%	1.1%	0.3%
Leonardo SpA	Industrials	25.0	Medium	64.8	67.6	2.5%	1.5%	1.0%
Stellantis NV	Consumer Discretionary	23.4	Medium	48.8	54.0	10.2%	11.5%	-1.3%
Webuild SpA	Industrials	23.1	Medium	66.1	69.9	0.3%	0.0%	0.3%
UnipolSai Assicurazioni SpA	Financials	22.8	Medium	44.3	51.0	0.3%	0.2%	0.1%
Banca Mediolanum SpA	Financials	22.5	Medium	49.5	58.0	0.6%	0.4%	0.2%
Enel SpA	Utilities	22.3	Medium	68.0	72.1	9.7%	9.1%	0.5%
A2A SpA	Utilities	21.3	Medium	65.2	72.1	0.7%	0.5%	0.2%
Iren SpA	Utilities	20.1	Medium	60.2	71.4	0.3%	0.2%	0.1%

Lowest Risk Portfolio Constituents

Identifies the 10 constituents with the lowest ESG Risk score in the portfolio

Company Name	Sector	ESG Risk				Weight		
		Score	Category	Exposure	Mgmt	Port	Bench	Active
Banca Generali SpA	Financials	7.8	Negligible	42.9	85.8	0.5%	0.4%	0.1%
OVS SpA	Consumer Discretionary	9.1	Negligible	25.7	68.7	0.1%	0.1%	0.0%
TERNA Rete Elettrica Nazionale SpA	Utilities	9.6	Negligible	41.8	81.5	2.9%	2.1%	0.8%
Moncler SpA	Consumer Discretionary	10.1	Low	24.3	62.8	3.8%	2.6%	1.2%
Intesa Sanpaolo SpA	Financials	10.9	Low	46.7	80.6	10.4%	9.5%	0.9%
Salvatore Ferragamo SpA	Consumer Discretionary	11.3	Low	24.2	56.9	0.2%	0.2%	0.0%
Anima Holding SpA	Financials	11.5	Low	45.5	79.5	0.2%	0.2%	0.1%
Pirelli & C. SpA	Consumer Discretionary	11.7	Low	36.8	72.8	0.4%	0.3%	0.1%
SNAM SpA	Utilities	12.9	Low	49.5	79.0	2.3%	1.8%	0.5%
Brembo SpA	Consumer Discretionary	13.6	Low	36.3	64.5	0.5%	0.4%	0.1%

ESG Risk Exposure

Exposure considers a company's sensitivity or vulnerability to ESG risks. Lower exposure scores indicate that the constituent companies face less ESG risk.

Exposure Score	Category
51.6	Medium
50.4	Low

Portfolio
Benchmark
Divergence

ESG Risk Categories

Low: 0 - 35

Low exposure to material ESG issues

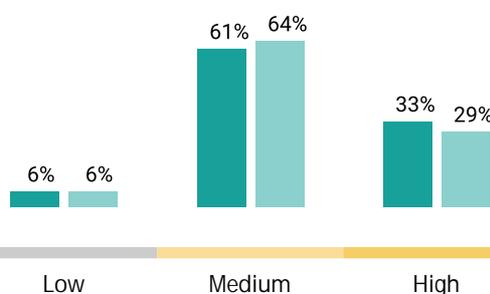
Medium: 35 - 55

Medium exposure to material ESG issues

High: 55 - 100

High exposure to material ESG issues

Distribution of aggregated portfolio weight by Exposure categories



The prevalence of companies with high exposure to ESG issues in the portfolio is 14% higher than the benchmark.

Average Exposure		Exposure Score			
Arithmetic	Weighted	Median	Min.	Max.	Std. Dev.
46.7	51.6	45.5	24.2	81.3	12.2
44.7	50.4	44.4	19.7	81.3	12.0
2.0	1.2	1.0	4.5	0.0	0.3

Companies with the Highest Exposure in the Portfolio

Company Name	Sector	Exposure Score	Exposure Category	Port Weight	Bench Weight	Active Weight
Eni SpA	Energy	81.3	High	7.9%	5.8%	2.0%
Enel SpA	Utilities	68.0	High	9.7%	9.1%	0.5%
Webuild SpA	Industrials	66.1	High	0.3%	0.0%	0.3%

Companies with the Lowest Exposure in the Portfolio

Company Name	Sector	Exposure Score	Exposure Category	Port Weight	Bench Weight	Active Weight
Salvatore Ferragamo SpA	Consumer Discretionary	24.2	Low	0.2%	0.2%	0.0%
Moncler SpA	Consumer Discretionary	24.3	Low	3.8%	2.6%	1.2%
Amplifon SpA	Healthcare	24.6	Low	1.2%	0.9%	0.3%



ESG Risk Management

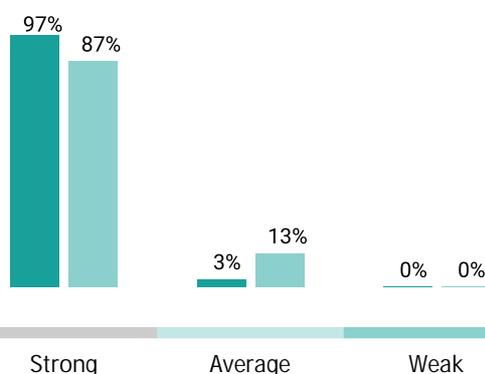
Management evaluates a company's performance on managing its exposure to ESG issues. Higher management scores indicate the constituent companies have stronger management of their exposure.

Management

Score	Category
69.6	Strong
66.0	Strong

Portfolio
Benchmark
Divergence

Distribution of aggregated portfolio weight by Management categories



ESG Risk Categories

Strong: 100 - 50

Strong management of material issues

Average: 50 - 25

Average management of material issues

Weak: 25 - 0

Weak management of material issues

Average Management		Management Score			
Arithmetic	Weighted	Median	Min.	Max.	Std. Dev.
67.0	69.6	68.2	37.8	85.8	10.1
62.1	66.0	63.0	33.3	85.8	11.9
4.9	3.7	5.2	4.5	0.0	-1.8

Companies with the Weakest Management in the Portfolio

Company Name	Sector	Management Score	Management Category	Port Weight	Bench Weight	Active Weight
Amplifon SpA	Healthcare	37.8	Average	1.2%	0.9%	0.3%
Recordati SpA	Healthcare	46.0	Average	1.4%	1.1%	0.3%
UnipolSai Assicurazioni SpA	Financials	51.0	Strong	0.3%	0.2%	0.1%

Companies with the Strongest Management in the Portfolio

Company Name	Sector	Management Score	Management Category	Port Weight	Bench Weight	Active Weight
Banca Generali SpA	Financials	85.8	Strong	0.5%	0.4%	0.1%
TERNA Rete Elettrica Nazionale SpA	Utilities	81.5	Strong	2.9%	2.1%	0.8%
Intesa Sanpaolo SpA	Financials	80.6	Strong	10.4%	9.5%	0.9%

Sector ESG Risk

Looks at the active weight and ESG Risk Rating score across sectors in the Portfolio. Lower scores equal lower risk.

Sector	ESG Risk			Weight		Exposure		Management	
	Portfolio Contribution*	Port	Bench	Port	Bench	Port	Bench	Port	Bench
Consumer Discretionary	16.2%	2.9	5.5	15.0%	25.0%	6.3	10.8	8.6	13.1
Consumer Staples	1.7%	0.3	0.2	2.0%	1.0%	0.7	0.5	0.9	0.8
Energy	13.6%	2.4	2.1	9.0%	8.0%	6.8	5.6	6.5	5.5
Financials	31.5%	5.6	5.0	39.0%	34.0%	18.7	16.5	28.6	25.0
Healthcare	3.1%	0.6	0.5	3.0%	2.0%	0.9	0.8	1.1	1.0
Industrials	7.1%	1.3	1.1	6.0%	5.0%	3.4	2.8	4.2	3.4
Information Technology	7.9%	1.4	1.2	8.0%	7.0%	4.1	3.4	6.0	4.9
Materials	0.0%	0.0	0.2	0.0%	1.0%	0.0	0.3	0.0	0.3
Telecommunication Services	0.6%	0.1	0.2	1.0%	1.0%	0.3	0.5	0.4	0.7
Utilities	18.2%	3.3	2.9	18.0%	15.0%	10.6	9.2	13.3	11.3

*Sector contribution to overall ESG Risk calculated as the weighted sum of sector risk scores divided by the total portfolio weighted risk score.

Regional ESG Risk

Looks at the active weight and ESG Risk Rating score across regions in the Portfolio. Lower scores equal lower risk.

Region	ESG Risk			Exposure		Management	
	Portfolio Contribution	Portfolio	Benchmark	Port	Bench	Port	Bench
Europe	100.0%	17.9	18.9	51.6	50.4	69.6	66.0

Glossary of Terms

ESG Risk Category

Companies' ESG Risk Rating scores are assigned to five ESG risk categories in the ESG Risk Rating. Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the ESG Risk Rating; it applies the concept of risk decomposition to derive the level of unmanaged risk for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Exposure

A company's sensitivity or vulnerability to ESG risks.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Material ESG Issue

A core building block of the ESG Risk Rating. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given subindustry.

Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: unmanageable risk, as well as risks that could be managed by a company through suitable initiatives but which may not yet be managed.

Weighted Scores

Sustainalytics normalizes the security weights of the matched security results within the selected portfolio and benchmark to equal 100% of the total portfolio weight, by evenly redistributing unmatched security weights. If there are no security weights available, Sustainalytics will assign equal weights to all securities. Weighted Scores are calculated by aggregating normalized security weighted scores.

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