



CLIMATE TRANSPARENCY REPORT 2020

Columbia Management Investment Advisers, LLC

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-C8D56DCF-DB29-4970-988A-AB1D4362DC33/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1>). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Private				
SG 01.7 CC	✓	Private				
SG 01.8 CC	✓	Private				
SG 01.9 CC	✓	Private				
SG 01.10 CC	✓	Private				
SG 07.5 CC	✓	Private				
SG 07.6 CC	-	Private				
SG 07.7 CC	✓	Private				
SG 07.8 CC	✓	Private				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Private				
SG 14.2	✓	Private				
SG 14.3	✓	Private				
SG 14.6 CC	✓	Private				
SG 14.7 CC	-	Private				
SG 14.8 CC	✓	Private				
SG 14.9 CC	✓	Private				
SG 15.1	✓	Private				
SG 15.2	✓	Private				
SG 15.3	✓	Private				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	Columbia Management Investment Advisers, LLC
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2014
Region	North America
Country	United States
Disclosure of Voluntary Indicators	74% from 38 Voluntary indicators

Columbia Management Investment Advisers, LLC

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1 Indicate if you have an investment policy that covers your responsible investment approach.

Governance and human resources

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1 Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

We have developed and continue to develop research and analytics that facilitate the assessment of relevant exposures and potential risks associated with climate change.

- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**SG 13.4
CC**

Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.

- Initial assessment

Describe

In keeping with our focus on research intensity, we have an ongoing commitment to evolving and developing the tools and enhanced analytics we draw on to enhance our research and the insights made available to support our investment approaches. We are currently focusing much of our development effort on the issue of climate change, including:

A. Water Stress Exposures & Physical risk analysis: Our focus currently is on assessing new data sources to support more granular analysis of corporate risk, linked to facilities/operations exposed to physical climate risks, including weather (e.g. Cyclones, Hurricanes and Typhoons), flood risks, sea-level increases or wildfires

B. Scope 3 Emissions & Emission trajectory analysis: Given reliability issue, to date our analysis has focused on scope 1 & 2 emissions. Given wider market interest though, while recognizing the uncertainty and estimation, we are also looking at using scope 3 emissions data as an additional exposure measure.

C. Climate adaptation analytics - moving beyond carbon foot-printing: The standard methods of assessing portfolio exposure to emissions and transition risk are exposure-based measures that provide neither a clear nor effective signal of the ability to adapt effectively to climate change. Given this, a key area of our research and development work has, amongst other things, focused on working with established economic models (e.g. lock-ins) to enable more forward-looking analysis of organizations' adaptation capability to be developed.

D. Climate VAR profiling - development of top-down / bottom-up profiling of VAR exposures: Building on work undertaken at the London School of Economics, we have begun to develop a climate VAR model. The combination of top-down macro analysis with bottom-up fundamental analysis offers a basis on which to frame a notional VAR assessment. This might be calibrated for example using PP&E (e.g. to reflect scope of potential capex) and scaled in terms of cashflows (e.g. to reflect materiality/affordability).

- Incorporation into investment analysis
 Inform active ownership
 Other

**SG 13.5
CC**

Indicate who uses this analysis.

- Board members, trustees, C-level roles, Investment Committee
 Portfolio managers
 Dedicated responsible investment staff
 External managers
 Investment consultants/actuaries
 Other

**SG 13.6
CC**

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes
 No

Please explain the rationale

At the portfolio level, we undertake carbon foot-printing for a number of strategies. Enhancing our carbon foot-printing capabilities, for instance to provide more granular assessment of exposure to physical and transition risk factors, as well as an assessment of value risk under various warming scenarios, remains an area of active development. In parallel, we are also working to roll out carbon footprint capabilities across mainstream funds.

**SG 13.7
CC**

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

**SG 13.8
CC**

Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	<input type="checkbox"/> Sustainable Development Scenario (SDS)	
IEA	<input type="checkbox"/> New Policy Scenario (NPS)	
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)	
IRENA	<input type="checkbox"/> RE Map	
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution	
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	<input type="checkbox"/> BNEF reference scenario	
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5	
IPCC	<input type="checkbox"/> RPC 6	
IPCC	<input type="checkbox"/> RPC 4.5	
IPCC	<input type="checkbox"/> RPC 2.6	
Other	<input checked="" type="checkbox"/> Other (1)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (1) please specify:</div> Internal models
Other	<input type="checkbox"/> Other (2)	
Other	<input type="checkbox"/> Other (3)	