



CLIMATE TRANSPARENCY REPORT 2020

1919 Investment Counsel

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/-3AC3A610-1258-446D-AB2E-BA8AA95992CB/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	-					
SG 13.5 CC	-					
SG 13.6 CC	-					
SG 13.7 CC	-					
SG 13.8 CC	-					
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
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	1919 Investment Counsel
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 10 - 29.99 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2012
Region	North America
Country	United States
Disclosure of Voluntary Indicators	30% from 38 Voluntary indicators

1919 Investment Counsel

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.

SG 01.6 Additional information [Optional].

1919 Investment Counsel: Our Approach to Responsible Investing

1919 Investment Counsel is an experienced responsible investing manager. Our rich heritage of providing separately managed accounts tailored to our clients' specific mandates informs our rigorous, research-driven investment approach. Our team constructs highly customized portfolios that meet the specific mission and investment mandates of the endowments, foundations, corporations, pensions and individuals we serve.

Our firm was founded in 1919, with the aim to professionalize the practice of investment counsel. Just as in 1919, our firm deploys a team of highly-trained, experienced and ethical advisors, subject to a rigorous standard of conduct. We put the client's interest before our own, and pledge to provide bespoke advice for each client, whose needs are unique and cannot be met with an off-the-shelf solution.

1919 combines prudent, active portfolio management and proprietary research integrated into a customized portfolio solution that reflects each client's ethical views. We work closely with every client to understand their perspectives, goals, and the issues that matter most to them.

We adhere to an investment process that relies on proprietary, independent research from our analysts and the collective expertise of our portfolio managers. The research process includes consideration of responsible and ethical corporate behavior, as determined by our combined team of fundamental and responsible investment research analysts. We endeavor to recognize environmental, social and governance (ESG) factors that could affect portfolio construction and understand each client's beliefs and values.

We believe consideration of ESG factors aids in meeting clients' and stakeholders' expectations regarding corporate behavior of those companies in which they are invested, and enhances our understanding of the companies and the broader market. Companies that demonstrate understanding of the risks and opportunities related to ESG are increasingly attractive to investors.

We demonstrate our commitment to responsible investing by incorporating quantitative, fundamental, ESG, and client-directed factors into the investment process. At 1919, we work closely with our clients to understand their perspectives, goals, and the social issues that engage them. We strive to identify companies in alignment with our clients' expressed values, and avoid those companies that are not. We support exercising shareholder rights through informed proxy voting and other corporate engagement that encourages greater corporate disclosure around environmental, social and governance factors. 1919 actively votes proxies for each client account where we have been given authority to do so. In voting proxies, we are guided by general fiduciary principles. Our goal is to act prudently and solely in the best economic interest of the client for which we are voting.

As a signatory to the Principles for Responsible Investment (PRI), and where consistent with our fiduciary responsibilities, we commit to those voluntary and aspirational principles. (www.unpri.org)

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

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2 Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM			474	908	077
Currency	USD				
Assets in USD			474	908	077

Specify the framework or taxonomy used.

This AUM encompasses fossil-fuel-free and low-carbon responsible investment strategies. Please see 1919 Socially Responsive Balanced Fund Prospectus for fossil-fuel-free and low-carbon strategy application information (<http://www.1919funds.com/pdfs/all/1919-Funds-Statutory-Prospectus.pdf>) and 1919 SRI Fossil Free Equity Strategy Profile sheet (<http://www.1919strategies.com/downloads/1919-SRI-Fossil-Free-Equity-Strategy-Profile.pdf>).

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

Client and portfolio manager requests for portfolio carbon footprint data, engagement information, e.g.

- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.5

Additional information [Optional]

The significance of climate impacts on any given sector may affect sector weighting and asset allocation decisions. Our organization's internal energy and resource usage may also affect our organization. We aim to follow good business practices and gauge how peers incorporate similar risks and opportunities into their decisions.

SG 14 CC

Voluntary

Public

General

**SG 14.6
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Providing certain clients (upon request) with the carbon footprint of their equity portfolios. We also track the carbon footprint of the 1919 Investment Counsel Socially Responsible Balanced Fund for internal purposes and to ensure we are adhering to its fossil-fuel-free, low-carbon guideline.	Absolute CO2e; tonnes	The analysis quantifies greenhouse gas emissions embedded within a portfolio, presenting them as tCO2e
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Providing certain clients (upon request) with the carbon footprint of their equity portfolios. We also track the carbon footprint of the 1919 Investment Counsel Socially Responsible Balanced Fund for internal purposes and to ensure we are adhering to its fossil-fuel-free, low-carbon guideline.	tCO2e	The analysis quantifies greenhouse gas emissions embedded within a portfolio, presenting them as tCO2e. Comparing total GHG emissions of each portfolio holding relative to either revenues generated or capital invested provides a measure of carbon exposure that allows for comparison between companies, irrespective of size or geography.
Carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	An indication of 'efficiency' with respect to output (as revenues are closely linked to productivity). We track for certain clients' equity portfolios (upon request) and for the 1919 Investment Counsel Socially Responsible Balanced Fund.	Carbon to Revenue; tCO2e/mUSD	Dividing the apportioned emissions/impacts by the apportioned annual revenues.

**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

- Processes for climate-related risks are integrated into overall risk management

Please describe

We regularly assess the largest carbon footprint contributors and evaluate the investment thesis for those contributing companies. We also regularly evaluate any changes in the companies' approach to carbon management. Based on these ongoing evaluations, changes to the portfolios may be made based on the carbon footprint.

- Processes for climate-related risks are not integrated into overall risk management

SG 14.9
CC

Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.

- Yes
- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.