



CLIMATE TRANSPARENCY REPORT 2019

PRO BTP Finance

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 2019 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-6096EA70-4EB8-4A23-B290-F02EE0F128F7/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/). 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 2019 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 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	✓	Public				
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	-	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 01.11 CC	✓	Public				
SG 01.12 CC	✓	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	-	Public				
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	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.4	✓	Public				
SG 14.5	-	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

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	PRO BTP Finance
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 10 - 29.99 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2013
Region	Europe
Country	France
Disclosure of Voluntary Indicators	97% from 38 Voluntary indicators

PRO BTP Finance

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

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.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

We have a twofold approach.

For our SRI funds, we apply a very severe and formalized ESG approach. This approach leads to exclude issuers that do not meet our SRI minimum standards.

For all other funds, we apply an ESG integration approach that consists in providing our fund managers with ESG data to assist them in their decisions.

For our SRI funds, we assess every issuer but the methodology differs for private and for public issuers. For every private issuer, an ESG mark out of 20 is calculated. All the issuers with a mark under 10 are excluded and the fund managers are not allowed to invest in. **We define this approach as an absolute one.** Public issuers are also given a mark that is out of 100. We do not exclude any public issuer but we calculate a weighted average of the SRI funds and of their benchmarks. For every fixed income SRI fund, its ESG average has always to be higher than the average of its benchmark. **We call this, relative approach.**

We calculate the carbon footprint of our equity and credit UCITS (10 funds).

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

At the beginning of our SRI project in 2003, we answered to a demand from our union social partners of the Construction sector in France.

The goal of our process was to promote ethical principles and standards.

In 2003, the scope of our SRI process covered Equities.

In 2009, we defined an SRI process for government bonds.

In 2010, we extended our SRI to private credit issuers.

You can find more informations about our process on our Internet site where you can find our SRI policies guides according to AFG - FIR guidelines:

<https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/ISR/code-de-transparence-emetteurs-publics-2018.pdf>

<https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/ISR/code-de-transparence-ISR-emetteurs-privés-2018.pdf>

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 01 CC	Voluntary	Public	Descriptive	General
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SG 01.6 CC Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.

Since two years, one SRI goal of PRO BTP is to increase the amount invested in Green Bonds. This was achieved in 2018. As at December 31, 2018, the cumulative amount invested in Green Bonds stood at € 265 M, in different bonds.

SG 01.7 CC Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

- Yes
 No

SG 01.9 CC Indicate whether the organisation publicly supports the TCFD?

- Yes
 No

Explain the rationale

Through our "Sustainable Letters", available on our web site, we support in some occasions the TCFD by publishing some informations about initiatives related to TCFD.

SG 01.10 CC Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

- Yes
 No

SG 01.11 CC Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.

Today, such an organisation is not yet operational, but in 2019, we initiated a study to set it up within 2020.

SG 1.12 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
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- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

	specify
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On a regular basis, we publish (inside and outside) letters in which we support several initiatives such as the TCFD.

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach
- Asset class-specific RI guidelines

	URL/Attachment
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- URL

	URL
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{hyperlink:https://www.probtptfinance.com/home/investissement-socialement-respo.html}

- Attachment (will be made public)
- Screening / exclusions policy
- Engagement policy

	URL/Attachment
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- URL

	URL
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{hyperlink:https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/politique%20et%20reglementation/politique-et-vote-dengagement.pdf}

- Attachment (will be made public)

Attachment

[File 1:politique-et-vote-dengagement.pdf](#)

(Proxy) voting policy

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/politique%20et%20reglementation/politique-et-vote-dengagement.pdf}

Attachment (will be made public)

Attachment

[File 1:politique-et-vote-dengagement.pdf](#)

We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/home/investissement-socialement-respo.html}

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/home/investissement-socialement-respo.html}

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/politique%20et%20reglementation/politique-et-vote-dengagement.pdf}

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/home/investissement-socialement-respo.html}

Attachment

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/files/live/sites/probtptfinance/files/pdf/politique%20et%20reglementation/politique-et-vote-dengagement.pdf}

Attachment

Reporting

URL/Attachment

URL

URL

{hyperlink:https://www.probtptfinance.com/home/investissement-socialement-respo.html}

Attachment

File Attachment

{hyperlink:Reporting ISR fonds - Décembre 2018.pdf [602KB]}

Climate change

URL/Attachment

URL

URL

{[hyperlink:https://www.probtppfinance.com/files/live/sites/probtppfinance/files/pdf/politique%20et%20reglementation/demarche_esg.pdf](https://www.probtppfinance.com/files/live/sites/probtppfinance/files/pdf/politique%20et%20reglementation/demarche_esg.pdf)}

Attachment

File Attachment

{[hyperlink:demarche_esg.pdf \[371KB\]](#)}

We do not publicly disclose any investment policy components

Governance and human resources

SG 07 CC	Voluntary	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Board members or trustees
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Portfolio managers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Investment analysts
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Dedicated responsible investment staff
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	External managers or service providers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

SG 07.6 CC	For board level roles for which have climate-related issues oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.
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The board members validate the features of carbon footprint assessment (scope, methodology, providers, frequency, reporting...).

Those carbon footprints are validated by the CSR responsible of the PRO BTP Group in order to publish the French Article 173 reporting and also the ESG-CLIMAT reporting (<https://groupe.probtp.com/files/live/sites/probtp-groupe/files/pdfs/publications/ESG-CLIMAT-PROBTP-2017.pdf>).

SG 07.7 CC	For the management-level roles that assess and manage climate-related issues, provide further information on the structure and process involved.
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The role of managers is to ensure consistent implementation of carbon footprint assessment in order to be compliant with the PRO BTP Group climate strategy.

SG 07.8 CC	Explain how the organisation engages external investment managers on the TCFD recommendations and its implementation.
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- Incorporation of TCFD in Annual Report
- Incorporation of TCFD in regular client reporting
- Request that investment managers complete PRI Climate indicators
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner guide

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities

Describe

We calculate the carbon footprint of our equity and credit UCITS and assess their compliance with the 2 degree scenario.

No, not to assess future ESG/climate-related issues

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	Voluntary	Public	Descriptive	General
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SG 13.4 CC Describe how the organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, the results and any future plans.

Initial assessment

Describe

We calculate the carbon footprint of our equity and credit funds.

- 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 the organisation has evaluated the impacts of climate-related risk, beyond the investment time-horizon, on the organisations investment strategy.

Yes

	Describe
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By calculating the carbon footprint of our equity and credit funds, we can assess the compliance of those funds with the 2 degrees scenario.

No

SG 13.7 CC	Indicate whether a range of climate scenarios is used.
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- Yes, including analysis based on a 2°C or lower scenario
- Yes, not including analysis based on a 2°C or lower scenario
- No, a range is not used

SG 13.8 CC	Indicate the climate scenarios the organisation uses.
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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 checked="" 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 type="checkbox"/> Other (1)
Other	<input type="checkbox"/> Other (2)
Other	<input type="checkbox"/> Other (3)

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
- 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
- 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 14.4

If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

We use a Bloomberg template to assess the carbon footprint of our equity and credit UCITS.

SG 14 CC	Voluntary	Public	General
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SG 14.6 CC Please provide further details on these key metric(s) used to assess climate related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Weighted average carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Monitoring and assessment	Tons CO2 / M€ (revenues)	The methodology used to calculate or estimate figures of the key metric identified
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Monitoring and assessment	Tons CO2 / €M invested	The methodology used to calculate or estimate figures of the key metric identified
Total carbon emissions	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Monitoring and assessment	Tons CO2	The methodology used to calculate or estimate figures of the key metric identified

SG 14.8 CC Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management
- Process for climate-related risks is not integrated into our overall risk management

Please describe

Today, climate-related risks are not yet integrated into our overall risk management. In 2019, we are going to study the integration of climate-related risks.

SG 14.9 CC Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.

- Yes
- No, we do not engage

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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☉ Yes

SG 15.2	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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	%
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3.05

SG 15.3	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
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	Area
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- Energy efficiency / Clean technology
- Renewable energy
- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing

	Asset class invested
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- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Inclusive finance

	% of AUM
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0.01

- Cash

Brief description and measures of investment

We invest in an inclusive finance mutual fund managed by Ecofi Investment.

- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Green Bonds

Asset class invested

- Listed equity
- Fixed income - SSA

% of AUM

1.4

- Fixed income - Corporate (financial)

% of AUM

0.75

- Fixed income - Corporate (non-financial)

% of AUM

0.9

- Fixed income - Securitised
- Inclusive finance
- Cash

Brief description and measures of investment

We invested in corporate and govies Green Bonds.

No