



CLIMATE TRANSPARENCY REPORT 2019

PineBridge Investments

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/-5DAA5E29-C1FD-46A9-AE14-2B27708C6A8A/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	PineBridge Investments
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2015
Region	North America
Country	United States
Disclosure of Voluntary Indicators	29% from 38 Voluntary indicators

PineBridge Investments

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 checked="" type="checkbox"/> Other, specify (1) Devolve integration to investment teams. <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input 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.

As a Firm we believe issues related to the environment, social and corporate governance ("ESG" issues) may create both opportunities and risks for our clients' portfolios. Our investment teams therefore address these factors in their analysis of investments to gain a better understanding of their potential impact on current asset values and future performance. The PRI provides a framework through which to report and assess such factors, offering an additional tool as we seek to fulfil our mission of partnering with clients to achieve their specific investment objectives.

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]

The inclusion of ESG considerations dates back to 2006 at our predecessor firm, AIG Asset Management. Having managed strategies across the asset classes in the Americas, Europe, Central Europe, Sub-Saharan Africa and Asia we have long faced ESG related issues that can have a meaningful impact on portfolio performance.

The PineBridge ESG policy covers all investment decisions taken by the investment teams across the firms. The policy was drafted in late 2014 and ratified in early 2015 by the Board and the Firm's ESG Integration Committee, which consists of 18 investment and non-investment professionals from our offices globally. We continue to closely monitor ESG developments and best practices and will update our policy to reflect issues which we deem material. Delegation of ESG responsibilities to individual investment teams reflects our Firm's belief that the most effective application of the PRI and consideration of individual ESG factors can weight differently across our diverse range of asset classes, geographies, sectors, and specific investments. PineBridge considers its investment teams to be best placed to decide on the most appropriate manner of PRI and ESG integration into their investment process in line with their activities and specific investment opportunities. It is the Firm's policy to encourage each investment area to develop relevant PRI and ESG frameworks and develop supporting processes. At a corporate level, the Firm actively supports individual team efforts by providing individual or shared resources and seeks mechanisms for collaboration on PRI and ESG issues across investment areas where beneficial.

We believe that that deferral to individual teams is one of our key competitive advantages and differentiates us from our peers. We are clear that ESG must be an organic effort that builds upon our existing investment philosophy, process and culture. We look to integrate ESG efforts in a manner that is complementary to our existing offerings. We rely on analysis of ESG risk factors, which aim at addressing the ESG risks that have the most weight in delivering alpha in our target investment universe and minimizing the ESG risks that have the most adverse effect on the portfolio's investment universe. By focusing on portfolio-level ESG risks we are able to diversify away individual holdings' exposure to those risks and focus on those that are additive to the portfolio's objectives.

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.
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PineBridge evaluates ESG-related factors according to their financial materiality. For some investments this may include the effects of climate change and carbon pricing. However, the Firm does not systematically consider the likely effects of climate change and the impact of carbon pricing upon all existing and potential investments as a standalone point of inquiry within the investment process. Instead, PineBridge devolves climate risk and opportunity analysis to the underlying investment teams who maintain investment processes.

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

No

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

No

	Explain the rationale
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While PineBridge has not currently supported the TCFD guidelines, on a case by case basis, individual investment teams have referenced the TCFD guidelines in their pre- and post- investment due diligence process in sectors where climate-related financial disclosures are deemed decision-useful.

PineBridge affirmed its support of environmental causes by hosting an event for industry peers in the NY office. This was the launch event for "2 Degrees of Separation: Transition risks for oil & gas in a low carbon world" produced by the Carbon Tracker in partnership with Legal & General Investment Management, AP7, FRR, PGGM, PKA, and the PRI. Following the presentation, guests participated in roundtable discussions covering the use of research for engagement. The industry event was well attended by asset owners and managers such as Black Rock, United Nations Pension Fund, JP Morgan Asset Management, Lazard Asset Management, Morgan Stanley Institute of Sustainable Investing, Rockefeller & Co, Goldman Sachs, Federal Reserve, Neuberger Berman, Ceres and TIAA Investments. PineBridge was represented by five members of the equity and fixed income investment teams. The great diversity of representation at the event, including energy & ESG analysts and engagement professionals enabled a truly productive discussion with many useful takeaways.

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

No

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

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

	URL/Attachment
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- URL

	URL
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{hyperlink:https://www.pinebridge.com/insights/policy-and-principles}

- Attachment (will be made public)

- Asset class-specific RI guidelines

	URL/Attachment
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- URL

	URL
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{hyperlink:https://www.pinebridge.com/insights/policy-and-principles}

- Attachment (will be made public)

- Screening / exclusions policy
- Engagement policy
- (Proxy) voting policy
- Other, specify (1)
- 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.
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- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:https://www.pinebridge.com/insights/policy-and-principles}

Attachment

- Your investment objectives that take ESG factors/real economy influence into account
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://www.pinebridge.com/insights/policy-and-principles}

Attachment

- Reporting
- We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

Though we do not maintain copies of our Voting and Engagement Policies on our website, we are happy to provide these on request.

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.

Board members or trustees

- 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

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

Other Chief-level staff or head of department

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

Portfolio managers

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

Investment analysts

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

Dedicated responsible investment staff

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

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.).

- Yes, to assess future ESG factors

Describe

The Firm’s approach is that each investment team should develop their own ESG frameworks in order to address ESG factors and gain a better understanding of their potential impact on current asset values and future performance.

- Yes, to assess future climate-related risks and opportunities

Describe

We follow a financial materiality-based evaluation of climate-related risks by assessing climate resilience of portfolio holdings and reputational risk surrounding potential corporate complacency of investee companies on the matter of climate risk preparedness as well as emergency readiness (environmental as well as impact on local communities).

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
- Incorporation into investment analysis

Describe

We recognize the importance of adopting a scenario-based assessment of those risks and opportunities that are most likely to impact the operational and financial performance of our investments over our targeted investment horizon. Climate-related risks are incorporated in the evaluation of longer-term operational readiness of an asset as well as on the identification of the physical risks that are either directly associated with owned operations or embedded in the primary supply chain of an investee company (or national/ subnational entity).

Inform active ownership

Describe

The Firm's various investment teams may approach active ownership in a variety of ways. For example, the Firm's fixed income teams typically leverage the outcomes of the scenario-based evaluation of climate risk as the foundation for active engagement with the investee entity on those risks, specifically as relates to enhancing transparency and timing of disclosure surrounding those risks to the investment community.

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
- No

Please explain the rationale

While we have continued to advance the evaluation of climate-related risk impacts to the stage of direct and collaborative engagement with investee companies, we are confronted with thousands of climate related laws given our global footprint and multi-jurisdictional presence. With this in mind we do not typically model the impact of climate-related risk beyond the investment time-horizon.

**SG 13.7
CC**

Indicate whether a range of climate scenarios is used.

- 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.

Provider	Scenario used
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	<input checked="" type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario
IEA	<input checked="" 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 CC

Voluntary

Public

General

**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
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Internal portfolio reviews and evaluation of strategic positioning	Metric unit: CO2e per \$1mil of dollar invested	Linear (for comparison purposes in absolute terms and vs. reference benchmark)
Carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Internal portfolio reviews and evaluation of strategic positioning	Metric unit: CO2e per \$1mil of dollar invested	Linear (for comparison purposes)
Exposure to carbon-related assets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Internal portfolio reviews and evaluation of strategic positioning	% of total market value	Market value allocation across carbon-related assets

**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

Please describe

Yes, we follow a financial materiality-based evaluation of climate-related risks in our portfolio risk management process with respect to (1) assessment of climate resilience of portfolio holdings and (2) assessment of reputational risk surrounding potential corporate complacency of investee companies on the matter of climate risk preparedness as well as emergency readiness (environmental as well as impact on local communities). In the case of the developed market credit exposures, #1 is conducted by following in-house Key Risk Indicators related to climate risk (i.e., GHG emissions, renewable energy programs, fuel economy and low carbon transition initiatives) in alignment with the Sustainability Accounting Standards Board's guidance on environmental dimensions by sector. #2 is conducted through internal benchmarking analyses in alignment with the materiality portfolio risk framework. It relies on data analytics provided by reputational and ESG risk provider, RepRisk, to augment due diligence efforts on ESG practices and business conduct. Among others, RepRisk indicators provide a real-time update on early warning signs of ESG risks, including climate-related risks within environmental, social and governance dimensions. Our portfolio risk management process for sustainability risks relies both on longer-term as well as near-term evaluation of those emerging trends to address potential downside risk as well as investment opportunities in companies that are building enterprise value through climate resilience.

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

**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
- No