



# CLIMATE TRANSPARENCY REPORT 2020

Deutsche Bundesstiftung Umwelt

# 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/-8A9727A3-705D-4B0B-8653-BD72B201A688/79894dbc337a40828d895f9402aa63de/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	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	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	-					
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	✓	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	
<b>Name</b>	Deutsche Bundesstiftung Umwelt
<b>Signatory Category</b>	Foundation
<b>Signatory Type</b>	Asset Owner
<b>Size</b>	US\$ 1 - 4.99 billion AUM
<b>Main Asset Class</b>	Multi-Asset
<b>Signed PRI Initiative</b>	2012
<b>Region</b>	Europe
<b>Country</b>	Germany
<b>Disclosure of Voluntary Indicators</b>	35% from 38 Voluntary indicators

# Deutsche Bundesstiftung Umwelt

## 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 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**SG 01.6 CC** Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.

Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.

We identified risk of coal business. Hence we sold shares of all companies with their core business "coal". We also established that further investments in such companies aren't allowed.

Before investing we also take into account the volume of CO<sub>2</sub>, which is produced by each company.

No

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

Yes

Describe the associated timescales linked to these risks and opportunities.

As far as our research shows the climate risks of coal business has actual timescales. Therefore we decided to sell the shares of companies, whose core business is related to coal, and we decided not to invest furthermore.

No

**SG 01.8 CC** Indicate whether the organisation publicly supports the TCFD?

Yes

No

**SG 01.9 CC** Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

Yes

	Describe
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We are monitoring all our assets. We're doing this on our own, as well as we have support from specialized rating agencies (Oekom research & Sustainalytics). Hence we take notice whether there's changes within the ESG value of our single assets. We also measure our CO<sub>2</sub> footprint since 2016 for our direct equity investments. Moreover we take action in form of company visits to get an impression of the business model and their ESG impact of the company.

No

<b>SG 1.10 CC</b>	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
- We currently do not publish TCFD disclosures

**Governance and human resources**

<b>SG 07 CC</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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<b>SG 07.5 CC</b>	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

- 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

### External managers or service providers

- 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 that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

Board members: They get information on a quarterly basis. Hence they're enabled for oversight, as well as for points of implementation. On our bi-annual general meeting the board can give the release for our doings.  
CEO,CIO,COO and all other staff has all the information on a daily basis. If something seems to force changes, either with respect to the implementation or the accountability, this could be done very quick.

### SG 07.7 CC

For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.

CEO,CIO,COO and all other staff has all the information on a daily basis. All of them check wether our limits are fulfilled. If something seems to force changes, either with respect to the implementation or the accountability, this could be done very quickly.

### SG 07.8 CC

Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.

- Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)
- Request incorporation of TCFD into regular client reporting
- Request that external managers complete PRI climate indicator reporting
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide
- Other

### Specify

we urgently asked them to show their carbon footprint

- We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation



## 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			160	800	000
Currency	EUR				
Assets in USD			177	250	049

Specify the framework or taxonomy used.

For an amount of 74,7 mio. Euros it's the taxonomy of the green bond principles. An amount of 25 Mio. Euros is invested in a specialized company whose business model is to reduce the CO<sub>2</sub> of light by using LED's. For an amount of remaining 60,9 Mio. Euros it's an individual scaling of the sustainability of the investments. These 60,9 mio. Euros are invested in explicitly named sustainable projects, e.g. solar plants or wind parks. For these investments we have defined our own framework as a conditional check before we would buy.

- 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

<b>SG 14 CC</b>	<b>Voluntary</b>	<b>Public</b>	<b>General</b>
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**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
<b>Carbon footprint (scope 1 and 2)</b>	<input checked="" type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	We cover all of our equity, but not the other asset-classes. This is due the instability of the available data	ton co <sup>2</sup> -equivalent/ Mio.€ invested	We started calculation at the end of 2015. We use three different calculation types. We use all of them up to now, but the most useful may be the calculation based on the enterprise value. Data sources are the companies. For estimates we use a method where the data are proposed on an independent way by Bloomberg.

<b>SG 14.8 CC</b>	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.
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- Processes for climate-related risks are integrated into overall risk management

Please describe
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The carbon footprint is said to be responsible for climate change. Hence it's part of regulation. Regulation could be an important thing for any business model; at least it creates lots of investment costs.

Dependant on each company we measure their carbon footprint, the development of it and the impact for our investments.

Moreover we discuss these measurement with our extern managers, as the available data is not really satisfying.

This is also a point for estimates. Conclusion is, that lots of efforts have to be made to get more reliable data.

We look through our carbon footprint data on a regularly way. If things develop in a way were we feel uncomfortable, we may sell the relevant stock. So, carbon footprint is part of our normal valuation and totally integrated into our overall risk management.

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

<b>SG 14.9 CC</b>	Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.
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- Yes
- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

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

<b>SG 15.2</b>	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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	%
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7

**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.

Area

- Energy efficiency / Clean technology

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

5

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure

Percentage of AUM (+/-5%) per asset class invested in the area

5

- Commodities
- Inclusive finance
- Cash

Brief description and measures of investment

Investment in Deutsche Lichtmiete. Investments in green bonds. Investments in solar and wind energy plants

- Renewable energy

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

1

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Commodities
- Inclusive finance
- Cash

Brief description and measures of investment

e.g. Gamesa, Vestas

- Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property

Percentage of AUM (+/-5%) per asset class invested in the area

4

- Infrastructure
- Commodities
- Inclusive finance
- Cash

Brief description and measures of investment

Investments in buildings as well as in measures to improve the sustainability of buildings

- Sustainable forestry
- Sustainable agriculture
- Microfinance

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

2.5

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Infrastructure
- Commodities
- Inclusive finance
- Cash

Brief description and measures of investment

We invested in bonds of company who endowes the money to the MFI's.

- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Prevention for causes of flight & clean energy & education

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

1

- Fixed income - Securitised
- Property
- Infrastructure
- Commodities
- Inclusive finance
- Cash

Brief description and measures of investment

Investment in AfricaGreenTec (see: [www.africagreentec.com](http://www.africagreentec.com))

No

