



Type of engagement	Reason for interaction
Individualist/stand alone engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective risk management <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify
Collaborative engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective risk management <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify
Service provider engagements	<input type="checkbox"/> To support investment decisions relating to ESG issues <input type="checkbox"/> To influence corporate practice for more effective risk management <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify

CLIMATE TRANSPARENCY REPORT

2019

Montpensier 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/-373E72B8-FBB3-451C-99FF-7BC30DF108DA/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	✓	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	Montpensier Finance
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 1 - 4.99 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2015
Region	Europe
Country	France
Disclosure of Voluntary Indicators	73% from 38 Voluntary indicators

Montpensier 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 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.

Montpensier Finance believes that the economic performance and the resulting stock-market returns from companies in which we invest also take extra-financial criteria into account An ESG component is integrated in all investment processes at Montpensier Finance

Environmental, social and corporate governance issues represent long-term performances factors.

ENVIRONMENTAL

The environment is a major challenge for the 21st century. We attach importance to the environmental impact of companies and their capacity to propose solutions towards preserving and sustaining their environment and protecting against associated risks. CO2 emissions, pollution, waste and sustainable resource management, etc. are the environmental challenges facing companies today.

SOCIAL RESPONSIBILITY

We also attach importance to companies' social responsibility, in terms of their internal impact and also with regard to their service providers. We believe that a company's human and social capital is an important factor and that employment, security and healthcare issues are part of its social responsibilities.

GOVERNANCE

Corporate governance encompasses management issues and the role of deliberating bodies and shareholders, alongside risk management, financial communication and transparency, etc. The fight against all forms of corruption is also a core challenge of good corporate governance.

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 01.7 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

We currently do not feel literate enough on these topics and have to go more deeply in our evaluation of the TCFD to publicly support it in the future.

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

Describe

In addition to its ESG incorporation approach, Montpensier Finance has developed a carbon footprint and/or a carbon intensity monitoring for its investments.

Incorporation of the carbon footprint in the investment process

Carbon measures are calculated for all portfolio that directly hold securities, with measures on indexes too.

Portfolio carbon footprint measures are regularly updated and are monitored on a weekly basis, during portfolio committees. These measures are monitored in order to identify the main contributors and to compare the fund positioning within the benchmark, and relatively to previous levels.

Carbon footprint of stocks in portfolio

- Approach

Beyond the figures related to greenhouse gas emissions, we look into proactive approaches implemented by companies in which we invest.

In this regard, we intend to hold in portfolio a large proportion of companies implementing solutions to reduce their greenhouse gas emissions.

- Greenhouse gas emissions of stocks directly held

The magnitude of greenhouse gas emissions varies from one sector to another.

Therefore the portfolio sector allocation has a great influence on their carbon footprint, which means some sectors must come under close scrutiny because of their high emissions.

Climate and considered improvements

Generally speaking, all evolutions in terms of management policies and practices must be monitored as much as possible with the objective to improve the climatic situation; which means investors and issuers of financial instruments must collaborate. In incorporating ESG criteria into its investment methods, Montpensier Finance expresses the will to take part in this movement by applying close scrutiny when investing in order to encourage best practices, especially regarding greenhouse gas emissions.

Numerous factors are monitored at a portfolio level but also in the investment universe.

Montpensier Finance especially aims to increasingly improve the carbonization level of portfolio managed with the final objective to reduce the global warming impact, both through the improvement of polluting agents' behaviour and the substitution of polluting agents with companies having less impact on climate.

- 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.montpensier.com/en-FR/regulatory-information](https://www.montpensier.com/en-FR/regulatory-information)}

- Attachment (will be made public)

- Screening / exclusions policy

	URL/Attachment
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- URL

	URL
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{[hyperlink:https://www.montpensier.com/en-FR/regulatory-information](https://www.montpensier.com/en-FR/regulatory-information)}

- Attachment (will be made public)

- Engagement policy

	URL/Attachment
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- URL

	URL
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{[hyperlink:https://www.montpensier.com/en-FR/regulatory-information](https://www.montpensier.com/en-FR/regulatory-information)}

- Attachment (will be made public)

- (Proxy) voting policy

URL/Attachment

URL

URL

{[hyperlink:https://www.montpensier.com/en-FR/regulatory-information](https://www.montpensier.com/en-FR/regulatory-information)}

Attachment (will be made public)

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.montpensier.com/en-FR/responsible-commitment](https://www.montpensier.com/en-FR/responsible-commitment)}

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

{[hyperlink:https://www.montpensier.com/en-FR/responsible-commitment](https://www.montpensier.com/en-FR/responsible-commitment)}

Attachment

Active ownership approaches

Climate change

URL/Attachment

URL

URL

{[hyperlink:https://www.montpensier.com/sites/default/files/fonds/best-business-models/best-business-models_article-173.pdf](https://www.montpensier.com/sites/default/files/fonds/best-business-models/best-business-models_article-173.pdf)}

Attachment

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.

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

Other role, specify (1)

Other description (1)

Operations and Methods Department

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

Other role, specify (2)

Other description (2)

Compliance Department

- 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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Board members / CEO / COO decide collectively what will be Montpensier Finance's overall orientation on its responsible investing policy.

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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Portfolio managers' Committee

At Montpensier Finance, investment decisions are all made as a group in a collaborative environment. Portfolio managers' committees therefore are the cornerstone of the implementation into our portfolio of responsible investing principles.

Montpensier Finance's SRI approach is based on MSCI's SRI Research. Ratings are monitored on a weekly basis and are used in the final investment decision.

While investment decisions are made at the committee level, the effective implementation of responsible investing is made by portfolio managers when passing orders .

Incorporation of the carbon footprint in the investment process

Carbon measures are calculated for all portfolio that directly hold securities, with measures on indexes too.

Portfolio carbon footprint measures are regularly updated and are monitored on a weekly basis, during portfolio committees. These measures are monitored in order to identify the main contributors and to compare the fund positioning within the benchmark, and relatively to previous levels.

Carbon footprint of stocks in portfolio

- Approach

Beyond the figures related to greenhouse gas emissions, we look into proactive approaches implemented by companies in which we invest.

In this regard, we intend to hold in portfolio a large proportion of companies implementing solutions to reduce their greenhouse gas emissions.

- Greenhouse gas emissions of stocks directly held

The magnitude of greenhouse gas emissions varies from one sector to another.

Therefore the portfolio sector allocation has a great influence on their carbon footprint, which means some sectors must come under close scrutiny because of their high emissions.

- Climate and considered improvements

Generally speaking, all evolutions in terms of management policies and practices must be monitored as much as possible with the objective to improve the climatic situation; which means investors and issuers of financial instruments must collaborate. In incorporating ESG criteria into its investment methods, Montpensier Finance expresses the will to take part in this movement by applying close scrutiny when investing in order to encourage best practices, especially regarding greenhouse gas emissions.

Numerous factors are monitored at a portfolio level but also in the investment universe.

Montpensier Finance especially aims to increasingly improve the carbonization level of portfolio managed with the final objective to reduce the global warming impact, both through the improvement of polluting agents' behaviour and the substitution of polluting agents with companies having less impact on climate.

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
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

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.

A "carbon score" is a component of the MSCI ESG overall rating.

Besides, companies' published or estimated carbon emissions are aggregated at the portfolio level to publish the portfolio carbon intensity. These data are made available to clients either in the annual report or in dedicated mandatory climate change reports.

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.
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Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Weighted average carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Portfolio positioning vs. benchmark and portfolio evolution over time.	Equivalent tons of carbon dioxide / M USD Sales	
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Total carbon emissions	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of 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

Portfolio carbon footprint and intensity measures are regularly updated and are monitored on a weekly basis.

- 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	Private	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