



Type of engagement	Reason for interaction	Status
Individualist/one-off engagements	<input type="checkbox"/> To request improved disclosure to be consistent with ESG values <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	Open 1/23
Collaborative engagements	<input type="checkbox"/> To request improved disclosure to be consistent with ESG values <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> To influence corporate behaviour through industry engagement <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	
Service provider engagements	<input type="checkbox"/> To request improved disclosure to be consistent with ESG values <input type="checkbox"/> To influence corporate behaviour through industry engagement <input type="checkbox"/> To encourage improved ESG practices <input type="checkbox"/> Other: specify	

CLIMATE TRANSPARENCY REPORT

2019

Pensioenfonds PGB

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/-53648DEA-9F30-4AAD-8C67-BB36264A1D31/00000000-0000-0000-0000-000000000000/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	Pensioenfonds PGB
Signatory Category	Non-corporate pension or superannuation or retirement or provident fund or plan
Signatory Type	Asset Owner
Size	US\$ 10 - 29.99 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2017
Region	Europe
Country	Netherlands
Disclosure of Voluntary Indicators	17% from 38 Voluntary indicators

Pensioenfond's PGB

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 type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <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.

We believe that taking into account Responsible Investment considerations leads to a better risk return profile and a better environment for our beneficiaries. We have an exclusion policy and an engagement and voting policy. Those policies reflect the opinion of our beneficiaries as to what RI stand for in their opinion. We did a survey amongst the participants in 2016, with several questions relating to RI issues and we are currently implementing those replies into our policy.

Climate has been selected as one of the most important issues to address in our policy. Last year we did climate scenario analyses with Mercer in order to redirect our SAA towards a more climate resilient one. This has led to a climate policy that is fully integrated in our investment processes and decisions.

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]

ESG investing is integrated in our investment decisions on top of that we take a climate perspective when we make our investments.

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.

We take the physical and transition risks into account as defined by the TCFD, and we see the energy transition as a process which will also provide opportunities, especially in private markets.

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

SG 01.8 CC	Indicate the associated timescales linked to these risks and opportunities.
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We did climate scenario analysis with Mercer, the full report is attached to this document in section 02.1

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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We will consider this 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.
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Yes

	Describe
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Yes we have a climate policy for the full SAA. This policy was developed after we had done the climate scenario analysis with Mercer. The climate policy is also attached under 02.1 together with the climate analysis. Unfortunately the climate policy is in Dutch.

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.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

{hyperlink:https://www.pensioenfondspgb.nl/en-us/aboutpgb/Pages/Investing/Socially%20responsible%20investment.aspx}

- Attachment (will be made public)

Attachment

[File 1:20190211 Mercer Climate Risk Assessment for PGB.pdf](#)

[File 2:2019_PGB Klimaatbeleid.pdf](#)

[File 3:1. MVB Beleid pensioenfonds PGB.docx](#)

- Screening / exclusions policy

URL/Attachment

- URL

URL

{hyperlink:https://www.pensioenfondspgb.nl/en-us/aboutpgb/Pages/Investing/Socially%20responsible%20investment.aspx}

- Attachment (will be made public)

Attachment

[File 1:Screening Criteria applied to PGB Pensioendiensten Investment Universe 2019.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.pensioenfondspgb.nl/en-us/aboutpgb/Pages/Investing/Socially%20responsible%20investment.aspx}

Attachment

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

URL/Attachment

URL

URL

{hyperlink:https://www.pensioenfondspgb.nl/en-us/aboutpgb/Pages/Investing/Socially%20responsible%20investment.aspx}

Attachment

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://www.pensioenfondspgb.nl/en-us/aboutpgb/Pages/Investing/Socially%20responsible%20investment.aspx}

Attachment

Climate change

URL/Attachment

URL

URL

{hyperlink:http://www.pensioenfondspgb.nl/nl-nl/Paginas/Nieuws/Minder-CO2-uitstoot-in-onze-beleggingen.aspx}

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.
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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

	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

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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Every investment proposal that goes to the board is accompanied by a separate ESG & Climate opinion form the RI policy department. This highlights the climate component in the investment decision process.

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 RI policy officer is included in every new manager search, an ESG/climate opinion is integrated in every step of the process.

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.).

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

Describe

We developed a climate policy after having conducted climate scenario analyses with Mercer at the level of the Strategic Asset Allocation (Q1 2018).

- 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 ask our external mangers to integrate climate risk assessments in the investments decisions, we excluded coal at a threshold of 50% for the whole portfolio, we measured the carbon footprint, we apply a carbon risk rating when investing in Investment Grade Credit.

- Inform active ownership

Describe

We use the Responsible Engagement Overlay from BMO for our engagment- and voting procedures. This focuses also on climate, e.g. through BMO's REO we are now also involved in the climate 100 + collaboratieve engagement initiative.

- 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

Yes, we did Climate Scenario Analysis with Mercer, the complete analysis is attached in section 02.1

- No

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 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 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 also use the Carbon Risk Ratings from Sustainalytics. We use them to assess our IGC portfolio in terms of ratings. If the carbon risk rating is high, we lower the Moody's rating for that company (internally).

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
Portfolio carbon footprint	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	calculate the footprint relative to the benchmark, assess strategies on carbon footprint risk	Main unit : T CO2 Million Sales	The factors are the average emissions per million USD total revenue, the average emissions per million USD PP&E, and the average emissions per employee. Next, these factors are multiplied by, respective, total revenue, gross PP&E value, and employee count of the estimated company. Last, our final estimate is the average of the three different factor outcomes. While we performed extensive correlation analysis to determine specific weights for these factors, the results were inconclusive. Hence these three factors are equally weighted and averaged to arrive at the final emissions.

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

IORP II asks Dutch pensionfunds to assess these risks and to specify them. When an investmet proposal goes to the board the advice holds a separate opinion on ESG and Climate Risks.

- 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

Please describe

We hired a specialized engagement provider (BMO, formerly F&C) who does all our responsible engagements, also on climate.

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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1

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

	Asset class invested
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- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)

	% of AUM
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0.4

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

	% of AUM
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0.5

- Inclusive finance

% of AUM

0.1

Brief description and measures of investment

In corporate fixed income we also invest in Green bonds, we have an inclusive finance fund from Actiam (PRI signatory) and we invest in renewable infra through Actis (PRI signatory).

- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance

Asset class invested

- Listed equity
- Fixed income - SSA

% of AUM

0.1

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Infrastructure
- Inclusive finance

Brief description and measures of investment

Microfinance

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

No

