



# CLIMATE TRANSPARENCY REPORT 2020

Mirabaud

# 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/-66BBDD1C-AC44-4F59-A0B8-A9DB2ED8E559/79894dbc337a40828d895f9402aa63de/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>	Mirabaud
<b>Signatory Category</b>	Mixed Services
<b>Signatory Type</b>	Investment Manager
<b>Size</b>	US\$ 30 - 50 billion AUM
<b>Main Asset Class</b>	Multi-Asset
<b>Signed PRI Initiative</b>	2010
<b>Region</b>	Europe
<b>Country</b>	Switzerland
<b>Disclosure of Voluntary Indicators</b>	66% from 38 Voluntary indicators

# Mirabaud

## 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.

At Mirabaud, we assess the carbon intensity for our entire SRI range. We use data provided by Trucost to assess the Carbon footprint, Weighted Average Carbon Intensity and Carbon to Revenue of existing and potential investments as well as other indicators related to stranded assets and energy transition. We evaluate revenues exposure to extractive industries, fossil fuel as well as renewable energy for each company under consideration. Those analytics enable us to identify and assess physical, regulatory, technological as well as market driven transition risks faced by companies. We are therefore able to identify companies' contribution as well as benefits derived from the implementation of a sustainable climate and energy transition.

Although carbon considerations are already an integer part of the investment teams' research and analysis, we are in the process of formalizing the integration of transition risks (regulation-driven, technology-driven, market-driven and reputation-driven) within our ESG integration process. A climate policy based on the carbon transition strategy is being set up and deployed across our SRI range of investment solutions. Please note that the detail of the carbon footprint analysis carried out are put forward in the dedicated monthly SRI reporting put at the disposal of clients.

No

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

Yes

No

Describe why your organisation has not yet assessed the likelihood and impact of climate risks

The financial impacts of climate-related issues are driven by the specific climate-related risks and opportunities to which the company is exposed and its ability to manage risks (i.e., mitigate, transfer, accept, or control) and seize opportunities. We are in the process of mapping climate risks and opportunities relevant to our industry and business over the short, medium and long term. The subsequent step would be to measure the impact of those risks and opportunities and assess how those can be mitigated or seized while taking into consideration different climate-related scenarii.

On a side note, and as part of our CSR policy, we have set the objective of reducing environmental impact

of our own operation by optimizing management of energy resources, promoting moderate use of water and paper as well as defining a responsible procurement policies.

<b>SG 01.8 CC</b>	Indicate whether the organisation publicly supports the TCFD?
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- Yes
- No

<b>SG 01.9 CC</b>	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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The stance adopted in managing climate related risk is to promote the notion of two degree alignment whilst making use of our proactive engagement activity, so as to accompany businesses and drive them towards best practice. As detailed above, the notion of transition risk is covered via our carbon footprint assessment. This then provides us with visibility in terms of sizing of so called stranded assets.

With our provider Trucost we can do a portfolio analysis that assesses the natural capital implications of our stock selection and sector allocations by comparing portfolio level risk and opportunity to our chosen benchmarks. We can also identify natural capital risk and opportunity across companies, geographies, sectors, market cap and reporting years.

We work with Sustainalytics, another provider of data who use a new metric ESG Risk Score. The rating is built on key features including financial materiality, granularity and comparability, and we foresee numerous applications for our clients in the context of investment decision-making. These metrics can provide signals to investors that will allow them to structurally improve the material climate-related risk and return profiles of their portfolios.

We do an ex ante analysis to consider all the ESG factors, the opportunities and the risks in our investment process.

- 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

- 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

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

SG 07.6  
CC

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

The management-level roles validate all SRI reportings and climate initiatives delivered by the SRI team. Climate-related issues are monitored through the analysis of the carbon footprints of portfolios carried out in connection with statutory sustainability reporting requirements (Article 173 of the French Energy Transition for Green Growth Law).

The SRI and Performance & Reporting teams exploit data provided by Trucost. An SRI report is published for each of our SRI funds. Please note that the data coverage is being extended so as to cover all our funds investable universe. The above mentioned dedicated SRI reports contain the following data relating to climate change: - Historical Weighted Average Carbon Intensity (WACI) in comparison with its benchmark - Analysis of the contribution of the different sectors to the carbon intensity of each portfolio - Analysis of highest and lowest contributors to Carbon Intensity - Analysis of the contribution to energy transition and alignment with globally agreed forward-looking targets (i.e two degree targets).



**SG 07.7  
CC**

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

In light of our moderate size and structure, members of our executive management compose the board of the company. As such, you will understand that the same oversight, assessment and management requirements are applied to both layers of the structure.

## ESG issues in asset allocation

**SG 13**

**Mandatory**

**Public**

**Descriptive**

**PRI 1**

**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

Describe

We also conducted internal research and analysis in order to identify and model the most material ESG issues by industry. We do then conduct back-tests in order to assess the materiality of ESG criteria.

- 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 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 13.3**

Additional information. [OPTIONAL]

As a long term investor and since ESG is at the forefront of our considerations at the time of investing, the consideration and integration of ESG data is placed at the very beginning of the stock selection process. Placing these considerations high up

The ESG analyses are integrated at the early stage of the stock selection process to help the management team avoid any loss of efforts through application of financial analysis for stocks which do not already satisfy the ESG criteria.

The predefined criteria must be applied without exception to ensure the Funds conform with any marketing tool promoting those Mirabaud Funds as SRI Funds.

The long-term approach needs to be a starting point for the stock selection, in order to validate any unique advantages which may come as a result of the sustainable investment strategy. Short-term profiteering arising from unseen or unknown market opportunities fall outside the criteria of sustainable investing.

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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<b>SG 14.1</b>	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.
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- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

<b>SG 14.2</b>	Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity
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- 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

<b>SG 14.3</b>	Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.
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- 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
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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>Weighted average carbon intensity</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
<b>Carbon footprint (scope 1 and 2)</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
<b>Portfolio carbon footprint</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
<b>Total carbon emissions</b>	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets			
<b>Carbon intensity</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
<b>Exposure to carbon-related assets</b>	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets			

**SG 14.8  
CC**

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.

- ⦿ Processes for climate-related risks are integrated into overall risk management

Please describe

Our provider use various types of signals feed into the Carbon Risk Rating, but it is also possible for investors to delve more deeply into the underlying research. This research can serve as separate, distinct signals investors can use to fulfill low-carbon mandates.

-CARBON SOLUTIONS INVOLVEMENT: Examines company involvement in carbon solutions, including renewable energy, green transportation, green real estate and energy efficiency.

-CARBON INTENSITY RESEARCH: Looks at the latest reported scope 1 and 2 GHG intensity and emissions for over 10k companies. More than 100 different estimation models are used for non-reporting companies.

-FOSSIL FUEL INVOLVEMENT: Examines different types of company involvement in fossil fuels, including thermal coal, oil and gas, oil sands, shale energy, deep-water production and Arctic offshore exploration.

-STRANDED CARBON ASSETS RESEARCH: Assesses carbon assets risk of both oil and gas producers and the top 1,000 US companies. Exposure includes life-cycle carbon intensity of production and proven reserves as well as involvement in high-cost projects.

-CARBON RISK EXPOSURE & MANAGEMENT: Quantifies the company's exposure and management of material carbon issues in its own operations as well as its products & services. Management focuses on a company's preparedness and track record in managing these issues.

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

<b>SG 14.9 CC</b>	Please describe
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Our provider take a value chain approach to our assessment, considering both a company's operational and product alignment. Operationally, we consider a company's management of environmental and climate risks, alongside involvement in controversies. On the products side they assess involvement in sustainable product and services (aligned products), like renewable energy, and controversial products (misaligned products), like thermal coal.

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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<b>SG 15.2</b>	%
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0.1

<b>SG 15.3</b>	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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<b>SG 15.3</b>	Area
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Energy efficiency / Clean technology

<b>SG 15.3</b>	Asset class invested
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Listed equity

<b>SG 15.3</b>	Percentage of AUM (+/-5%) per asset class invested in the area
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0.1

Fixed income - SSA

Fixed income - Corporate (financial)

Fixed income - Corporate (non-financial)

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

0.1

- Fixed income - Securitised
- Private equity
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

For specific multi-asset mandates, we invest in clean technology through green bonds and equity funds.

- Renewable energy
- Green 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

0.1

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

For specific multi-asset mandates, we invest in microfinance funds.

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

No

