



CLIMATE TRANSPARENCY REPORT 2020

CIM Group

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/-02670BCA-AA17-4A50-9980-82D905A14B27/79894dbc337a40828d895f9402aa63de/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	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Private				
SG 14.2	✓	Private				
SG 14.3	✓	Private				
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	CIM Group
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	>50% Property Internally Managed
Signed PRI Initiative	2017
Region	North America
Country	United States
Disclosure of Voluntary Indicators	12% from 38 Voluntary indicators

CIM Group

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.
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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.
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Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.
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Identified physical climate-related risks: temperature increases, extreme weather, resource availability.
Identified transitional climate-related risks: regulatory and policy changes.

Amid new and more stringent regulations and energy efficiency targets in the real estate industry and the influence of ESG factors on investment risk and return, CIM has committed to proactively integrating ESG into our overall business strategy. CIM's urban strategy, in and of itself, is a model for environmentally sustainable city building. By focusing investment and development activities in densely populated communities, CIM facilitates the reuse/repurposing of infrastructure and building stock in response to growth and changing market demands. As a result, CIM's investment and development strategy results in (i) the development of more pedestrian and transit-oriented communities, reducing vehicle miles travelled, (ii) resource recycling, (iii) the preservation of open and agricultural land and natural resources and (iv) energy conservation.

CIM's ENERGY STAR Consumption Tracking Program sets forth environmental targets focused on limiting and reducing CIM's overall carbon footprint and identifies opportunities for building-level projects that address energy, waste, materials, and water use. By tracking emissions data, CIM attempts to better understand and manage potential climate-related risks and implements practices to address GHG emission reduction. In addition, CIM attempts to forecast and understand strategic implications of climate-related risks and opportunities by conducting risk assessments at various assets. Generally, we assess any natural disaster risk, including flood risk, and its impact during the due diligence and/or construction period for all properties. Any property in high-risk areas would be required to have additional insurance coverage (e.g., NFIP policy) both by CIM and its lenders. We currently carry flood coverage on our corporate policies (even when we have to purchase the NFIP policy), so there is coverage across all our properties. Moreover, properties within our portfolio are generally subject to inspection through a 3 year rotation for FM Global Loss Control so that we ensure that onsite management is practicing loss prevention and that we're sufficiently covered to the extent there are any changes in flood zones or other natural disaster risk.

No

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

Describe the associated timescales linked to these risks and opportunities.

CIM's ESG management and sustainability approach is based on a commitment to continuous improvement regarding incorporation of ESG practices across all applicable assets. CIM's ESG Policy promotes energy efficiency, water conservation, waste reduction, recycling, the use of sustainable fixtures and green cleaning materials, and materials with low life-cycle costs. We seek to achieve our sustainability goals by following a four-stage sustainability improvement strategy: Assess, Act, Implement, Review (AAIR). CIM's year-over-year improvement process aligns with industry standards for materiality of ESG as a risk management strategy. ESG factors and risk analysis are imbedded in CIM's fundamental investment analysis. We participate in and use the GRESB assessment as a tool to support our goal of improving our ESG practices and managing Key Performance Indicators (KPIs) including benchmarking energy, water, and waste. Every year, we review our GRESB assessment results and develop and implement a plan to further improve our ESG program and GRESB scores.

No

**SG 01.8
CC**

Indicate whether the organisation publicly supports the TCFD?

Yes

No

Explain the rationale

We are currently developing a climate change risk assessment checklist to be used by onsite property management along with preventative maintenance planners for implementation in 2020.

**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

CIM developed its initial Sustainability Policy in 2011, but expanded it to an ESG Policy in 2019, in order to provide a framework surrounding ESG issues to incorporate ESG best practices into CIM's business strategies and investment, development, and asset management activities. CIM's ESG Policy promotes energy efficiency, water conservation, waste reduction, recycling, the use of sustainable fixtures and green cleaning materials, and materials with low life-cycle costs.

CIM's Environmental Management System (EMS) governs the tracking of energy, GHG emissions, water, waste, sustainable purchasing, and provides an action plan for reducing CIM's environmental footprint. In 2018, CIM began its ENERGY STAR Consumption Tracking Program and has committed to tracking and reducing carbon emissions at the majority of its assets. By tracking emissions data, CIM attempts to better understand and manage potential climate-related risks and implements practices to address GHG emission reduction. CIM utilizes ENERGY STAR Portfolio Manager in order to generate Key Performance Indicators ("KPIs") which can aid in identifying areas of risk and strategic opportunities for efficiency and cost-savings. CIM's ENERGY STAR Consumption Tracking Program sets forth environmental targets focused on limiting and reducing CIM's overall carbon footprint and identifies opportunities for building-level projects that address energy, waste, materials, and water use. In addition, CIM attempts to forecast and understand strategic implications of climate-related risks and opportunities by conducting risk assessments at various assets. Properties within our portfolio are generally subject to inspection through a 3 year rotation for FM Global Loss Control so that we ensure that onsite management is practicing loss prevention and that we're sufficiently covered to the extent there are any changes in flood zones or other natural disaster risk. CIM also utilizes maintenance programs designed to prolong the asset's life in the most cost effective and sustainable manner. In 2019, CIM developed its own high-level, internal sustainability building audit which utilized the United States Environment Protection Agency ("EPA") resources developed for the ENERGY STAR Treasure Hunt Campaign. The program is driving on-site property management teams to collaboratively identify sustainability improvements aimed at achieving energy savings at their buildings. CIM pro-actively monitors and seeks to implement efficiency measures, where applicable, at all assets.

CIM maintains an ESG committee to steer the direction of CIM's sustainability initiatives and practices, and

Sustainability Team.

No

SG 1.10 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

specify

TCFD disclosures are not currently published by CIM.

- We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	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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Other Chief-level staff or heads of departments

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

SG 07.7 CC	For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.
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CIM's ESG Committee, led by an Executive Management Team, representing departments across the firm, is responsible for assessing and managing impacts from climate change across the organization. The team meets on a regular basis to oversee the Firm's ESG practices, including the establishment of sustainability goals and providing guidance to CIM's Sustainability Team through the oversight of education, communication, reporting, awareness efforts, and strategic planning.

CIM also has a sustainability manager who works alongside CIM's sustainability consultant to further develop and maintain the ESG Policy and Environmental Management System (EMS), implement and develop written policies and procedures, identify opportunities to implement sustainable practices, track key performance indicators at both the asset and entity-level, report on sustainability performance, provide necessary training, facilitate the implementation of programs, and submit CIM's annual GRESB assessment.

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.).
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- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

CIM utilizes scenario analysis and modeling throughout the course of ownership of each asset and prior to acquisition.

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.
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We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify

ESG issues are considered in strategic asset allocation.
- We do not consider ESG issues in strategic asset allocation

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 13.4 CC	Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.
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- Initial assessment

Describe

Real Estate Assets

The Investments team seeks to maximize sustainable practices throughout CIM's activities while also maintaining the responsibility of maximizing returns to partners and co-investors. Each Investment Committee memo includes a section addressing the asset's compliance with the Investments Sustainability Policy. Further, the team seeks to maximize the following sustainable factor throughout the lifecycle of each asset:

Sustainable Location - adhere to CIM's asset strategy, which is inherently sustainable by virtue of focusing on acquisitions in densely-populated districts that promote walkability, provide access to mass transit, utilize existing infrastructure and maximize the responsible use of land

Sustainable Asset Management - ensure that all asset managers, including internal and third-party, abide by the CIM Property Management Sustainability Policy, which promotes energy efficiency, water conservation, recycling and the use of sustainable fixtures and materials with low life-cycle costs. The Investments Team will consider the CIM Property Management Sustainability Policy when approving operating budgets, capital expenditures and renovation programs

Sustainable Development - ensure that all development activities, including both those managed by CIM and by third-parties, abide by the CIM Development Sustainability Policy, which promotes sustainable site selection, sustainable construction type/material selection, an appropriate serviceability factor and ongoing sustainability analysis

Infrastructure Assets

In evaluating new development projects, CIM's Infrastructure Investments Team works with their infrastructure development partners to optimize the sustainability of the projects, while taking into account CIM's overarching fiduciary duty to partners and co-investors to maximize returns. The primary factors reviewed are as follows:

Acquisition Approval - evaluate whether an acquisition will contribute to the sustainability of the community in which the infrastructure is being developed. Criteria that the teams evaluate include whether the infrastructure asset: (1) contributes to improvement in the management or more efficient allocation of limited natural resources, such as water resources; (2) reduces the carbon footprint of constituents in the community by creating public transportation, facilitating the use of existing public transportation, or encourages pedestrian activity; (3) facilitates the use of renewable energy resources in favor of fossil fuels; (4) reduces the need for physical transportation by introducing communication technology

Site Selection - assess the location of a project and its relative access to existing infrastructure, such as transmission lines for electricity projects or water conveyances for water projects

Construction Type/Material Selection - work with development partners to analyze the best materials and construction type

- Incorporation into investment analysis

Describe

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Site Selection - assess the location of a project and its relative access to existing infrastructure, such as transmission lines for electricity projects or water conveyances for water projects

Construction Type/Material Selection - work with development partners to analyze the best materials and construction type

- Inform active ownership
 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 your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes

Describe

The Investments team evaluates the impacts of climate-related risk in their underwriting. Onsite property management teams utilize Emergency Action Plans and preventative maintenance planners as a means of forethought and prevention.

- No

SG 13.7
CC

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

SG 13.8
CC

Indicate the climate scenarios your organisation uses.

Provider	Scenario used
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	<input 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 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 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.
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Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Other emissions metrics	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			

SG 14.7 CC	Describe in further detail the key targets.
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Targettype	Baseline year	Target year	Description	Attachments
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

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

Please describe

Climate-related risks are a part of the asset risk evaluation.

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

