



# CLIMATE TRANSPARENCY REPORT 2020

CBUS Superannuation Fund

# 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/-CD73D6DB-81CC-4BC7-A39A-B8E2DFC013FB/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	✓	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>	CBUS Superannuation Fund
<b>Signatory Category</b>	Non-corporate pension or superannuation or retirement or provident fund or plan
<b>Signatory Type</b>	Asset Owner
<b>Size</b>	US\$ 30 - 50 billion AUM
<b>Main Asset Class</b>	Multi-Asset
<b>Signed PRI Initiative</b>	2006
<b>Region</b>	Oceania
<b>Country</b>	Australia
<b>Disclosure of Voluntary Indicators</b>	56% from 38 Voluntary indicators

# CBUS Superannuation Fund

## 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.

The global economy faces major economic disruption. For many of our members, the effects of climate change will be increasing when they are starting to retire. This is why the transition to a low carbon economy is so important. We are conscious that our members work in industries that will be impacted by it. We are engaging with companies to ensure they are managing the workforce risks and opportunities brought about by this transition. We are also encouraging companies and our investments managers to report against TCFD.

Our Climate Change Roadmap outlines our commitment to transition to a net zero carbon emissions. Key highlights of our actions on climate change this year were:

- confirmation all our property fund managers would commit to net zero emissions by 2030.
- working towards net zero commitments for our infrastructure assets
- identifying investments for our \$500m allocation to climate change solutions. We seeded our first investment in an international renewables fund manager.
- our 100% owned direct property construction and development manager, Cbus Property, invests in commercial developments that target minimum 5 star-NABERS energy and Green Star ratings.
- identifying a forward looking climate risk reduction metrics to incorporate into our passive / alternative beta equities quantitative investment models for commencement in 2020.
- Our Trustee Office is becoming carbon neutral
- Participation in the Australian Sustainable Finance Initiative (ASFI) to develop the future direction of the finance industry in Australia.
- Engaging with the most intensive fossil fuel companies with other asset owners through Climate Action 100+ and the Australian Council of Superannuation Investors (ACSI).

We prioritise climate change risks relative to other risks based on their materiality and our exposure. As part of our risk analysis we consider existing and emerging regulatory requirements related to climate change. Key short- and medium-term climate risks arise from structural change during the transition to a low carbon economy, through rapid policy and technology shifts. These could result in impacts on our investments. We continue to work on this.

No

**SG 01.7  
CC**

Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

Yes

Describe the associated timescales linked to these risks and opportunities.

In May 2018, Cbus asset consultant, Frontier, undertook modelling of specific risks that relate to climate change and that could impact upon portfolio returns in the medium-term. The analysis intended to provide results in advance of, and to complement, Cbus' own climate change analysis and annual Strategic Review. Cbus will be reviewing this approach in 2020 in addition to scenario analysis.

The scope of the analysis focused on Cbus' listed equity portfolio and listed companies in the energy sector (and the resources sector to a lesser extent) including:

- Test sensitivities of energy companies and the broader equity portfolio to changes in benchmark commodity prices and GDP impacts;
- Stress test portfolio values to shocks in oil prices, which we estimate to be commensurate with an assumed shift in carbon prices and fossil fuel demand, using historical scenarios and a customised 2 degrees climate change scenario;
- Identify the scale of potential value at risk (VaR) for the Cbus listed equity portfolio under the customised 2 degrees scenario;
- Review three selected companies to illustrate how the estimate of VaR is derived and further test the sensitivities of estimates to macro assumption

The results of the analysis suggest that the impact of a decarbonisation policy that is enacted in the medium-term future and over a relatively short time frame would have moderately severe impacts on listed Energy stocks returns. The potential impact at the portfolio level for a listed equities configuration did not appear alarming based on assessment of the contribution from a single sector - albeit, one likely most affected by medium-term carbon risks. The potential impact on the Australian Equities, Developed Markets Equities and Emerging Markets Equities portfolios appeared to be of a similar scale, which partly reflects the fact that the Energy sector has a similar weighting in these listed markets.

Frontier also developed a Climate Change Module estimating the long-term impact (return outcomes) on Cbus' Growth Option from a return perspective under five different climate change policy response scenarios. This is discussed in other sections.

No

**SG 01.8  
CC**

Indicate whether the organisation publicly supports the TCFD?

Yes

No

**SG 01.9  
CC**

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

Yes

Describe

In 2016, the Cbus Board approved a Climate Change Position Statement to help guide the integration of climate change considerations within the broader investment framework. This approach enables us to focus on making decisions that will lead to better long term retirement outcomes for our members. Further, we believe that as a large investor, our actions can have a flow on benefit to society and the broader economy.

In 2018 our Investment Committee approved a Climate Change Road Map, which implements the Climate Change Position Statement.

It also provides a consistent approach to considering climate related impacts of risks and opportunities. The Road Map has directed our activities with respect to climate change over the past 2 years. The key areas of focus include:

- Investment opportunities - committed a 1% multi asset class allocation to climate opportunities

- Climate risk integration (asset allocation, fund manager integration and TCFD reporting, transition risk reduction for quantitative equities portfolio)
- Engagement and voting
- Advocacy
- Built environment - We also believe the built environment is a key enabler in the transition to a climate resilient economy and there is an opportunity for Cbus to use its leadership to continue to raise the standards of the built environment. As such we have also set targets in this area and committed our real estate and infrastructure portfolios to net zero emissions.
- Monitoring and disclosure - includes our commitment to reporting under the TCFD.
- Trustee office alignment - Cbus Trustee office is carbon neutral at the end of 2019.  
<https://www.cbussuper.com.au/content/dam/cbus/files/governance/reporting/Cbus-Carbon-Neutral-Public-Disclosure-Summary.pdf>

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

specify
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Our TCFD reporting appears in our Responsible Investment Supplement.

- We currently do not publish TCFD disclosures

## Governance and human resources

<b>SG 07 CC</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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<b>SG 07.5 CC</b>	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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Board members or trustees
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues



#### Portfolio managers

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

#### Investment analysts

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

#### Dedicated responsible investment staff

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

#### External managers or service providers

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

#### SG 07.6 CC

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

The same governance structure exists for climate change as it does for other RI activities (SG 07.6). The Board has delegated authority to the IC for climate change related activities. The Chair, IC reports to the Board on key actions of note or for approval from the IC meetings. There is a monthly CIO report to the IC that has the capacity to include climate related initiatives, where relevant.

The Cbus Board approved the Climate Change Position Statement which stated alignment to the Paris Agreement and move towards net zero emissions by 2050.

Training is also provided to the Board on climate change activities.

#### SG 07.8 CC

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

- Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)
- Request incorporation of TCFD into regular client reporting
- Request that external managers complete PRI climate indicator reporting
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide
- Other
- We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation

### ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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**SG 13.1** Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

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

**Describe**

Through the Mercer Climate Change Project in 2015 we modelled expected returns for various asset classes under different climate scenarios. In 2018, our asset consultant analysed effects of different policy scenarios. While not directly impacting asset allocation, this work focussed our efforts.

- 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]

In 2019, Cbus implemented a new strategic asset class for climate change solutions. This is a multi-asset portfolio with investments from listed equity, infrastructure, debt, private equity.

In 2018, Cbus undertook work to review its asset allocation to international and domestic Australian equities. Part of this review assessed the climate risks concentrated in the Australian equities market. Whilst climate risks was only one part of the consideration for asset allocation and shifting greater weight to international equities, the findings from the climate work supported this view. We also engage with other funds to understand their approach to scenario analysis.

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.

- Initial assessment

## Describe

Cbus undertook work with our asset consultant, Frontier, using their Partners Platform Climate Change module that outlines the portfolio impact results (return outcomes) on Cbus' Growth Option from a return perspective under five different climate change policy response scenarios:

- CMA -standard CMA returns are provided for comparison with the five scenarios
- No Action-a scenario where there is no effective policy action (this is considered to have relatively little significance in terms of likelihood)
- Limit t=2 -policy action that limits global average temperature rises to 2 degrees (with 50% probability), which is an aspirational target involving greater effort by most countries compared to current policy settings. Emissions follow an "optimal" pathway
- Limit t=2 (2030 delay) -policy action that limits global average temperature rises to 2 degrees (with 50% probability), but which is delayed until 2030 (prior to which the emissions pathway is similar to the "no Action" scenario). The rate of emissions reduction is relatively rapid after 2030
- Paris Pledges-policy action based upon the aggregate pledges made by countries at the Paris conference in 2015, with a continuing trend in emissions beyond 2030 (allowance has been made in respect of the proposed U.S. withdrawal)
- No Action (Extreme temperatures) -there is no effective policy actions and temperature rises follow the trajectory of the 90th percentile of outcomes in the IPCC estimates

The findings included:

- The scenario "No Action (extreme temp.)" had the biggest estimated cost on portfolio returns to 2060, due to higher damage costs, relative to other scenarios
- Negative return impacts on Australian and Emerging Markets' asset classes were slightly higher than for Developed Markets (ex-Australia) due to greater carbon intensity and higher expected levels of physical impacts

Cbus will be undertaking further analysis during 2020.

- Incorporation into investment analysis

## Describe

Following the work from Frontier, and our Carbon Pricing Risk research Cbus has been assessing how to tilt its factor strategies using a low carbon transition score the results to be implemented in 2020.

Cbus made a commitment that its property managers would commit by 2020 to set a target of net zero carbon emissions by 2030. All property managers have committed to these targets with Cbus Property making its commitment public. A new target has been set for our infrastructure fund managers to commit to net zero carbon emissions. This could assist to de-risk the unlisted portfolio from climate change.

- Inform active ownership

## Describe

The Frontier work suggests engagement from fund managers and asset owners, or other focussed active equity selection strategies, can be an effective way of dealing with the risks (e.g. by bringing greater scrutiny to more risky projected capital expenditures) alongside any approach to de-risk a portfolio by tilting away from energy stocks.

Given the high amount of active equity stocks in the Cbus portfolio (approx 70%), engagement is considered a highly effective approach to managing risks in this area.

Cbus has joined the Climate Action 100+ initiative, and also engages through its third party service provider ACSI and Hermes.

- 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

This detail is outlined in SG1.7CC and SG13.4 CC. In May 2018, Cbus asset consultant, Frontier, undertook modelling of specific risks that relate to climate change and that could impact upon portfolio returns in the medium-term over 20 years. The analysis intended to provide results in advance of, and to complement, Cbus' own climate change analysis and annual review.

- 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 checked="" type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input 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 checked="" type="checkbox"/> Other (1)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (1) please specify:</div> Frontier: No Action scenario
Other	<input checked="" type="checkbox"/> Other (2)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (2) please specify:</div> Frontier: Limit t=2
Other	<input checked="" type="checkbox"/> Other (3)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (3) please specify:</div> Limit t=2(2030 delay)

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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**SG 14.1**

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

**SG 14.2**

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		2	494	000	000
Currency	AUD				
Assets in USD		1	689	434	627

Specify the framework or taxonomy used.

As at Dec 2019 based on the low carbon registry taxonomy reflecting NABERS 5 star ratings (investment value is taken from Cbus Property value at Dec 2019)

- 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 14.5**

Additional information [Optional]

Our external engagement providers ACSI and Hermes use company engagement and proxy voting for ASX-listed companies as a tool for managing climate change risks and opportunities.

ACSI and Hermes have been engaging with ASX companies for years on the disclosure and integration of climate-related risks and opportunities. ACSI and Hermes engage with a broad range of companies on climate risk and also prioritises particular companies based on materiality and exposure.

ACSI also uses proxy voting as a mechanism to create engagement on climate-related resolutions and as a tool for signalling where improvement on climate-related issues can be made.

<b>SG 14 CC</b>	<b>Voluntary</b>	<b>Public</b>		<b>General</b>
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**SG 14.6  
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
<b>Climate-related targets</b>	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	investment and reduction	Portfolio allocation 1% net zero emissions 2030	1% - invest in climate solutions Net zero: Science based targets
<b>Weighted average carbon intensity</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	What is my portfolio's exposure to carbon intensive companies?	t/USD million sales	The average weighted carbon intensity for our combined Australian, global and emerging markets equities portfolio
<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	What is my portfolio' total carbon footprint?	apportioned emissions in tons CO2eq.	absolute carbon emissions
<b>Carbon intensity</b>	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	What is my portfolio's normalized carbon footprint per AUD\$ million dollars invested?	tons CO2eq. /\$M AUD invested	carbon emissions financed in investments

**SG 14.7  
CC**

Describe in further detail the key targets.



Targettype	Baseline year	Target year	Description	Attachments
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2020		% Australian property fund managers that have introduced science based targets to commit to net zero emissions by a specific date	<a href="#">File 1:Responsible-Investment-Supplement (1).pdf</a>
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	rolling	2025	1% allocation to climate change solutions	
<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.

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

Please describe

The Investment Committee (IC) and Audit and Risk Management Committee (A&RM) have delegation from the Board to deal with responsible investment matters, including climate change.

At least annually, responsible investment risks, including climate change, will be formally reviewed and presented to A&RM. This occurs in conjunction with the revision of the Cbus Risk Appetite Statement.

Formal reporting to the IC on progress against the climate change roadmap will occur on a quarterly basis. The CIO Monthly Report to the Investment Committee also outlines any other responsible investment matters in respect of climate change such as company engagement, voting and advocacy related work.

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

**SG 14.9  
CC**

Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.

- Yes

Please describe

Cbus encourages TCFD adoption through its direct engagement, ACSI's engagement and through Climate Action 100.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

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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4.53

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

	Percentage of AUM (+/-5%) per asset class invested in the area
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1

- Hedge funds
- Cash
- Other (1)
- Other (2)

### Brief description and measures of investment

- Bright energy investments - Direct renewable infrastructure.
- Capital Dynamics - international renewables fund manager in Climate Climate Solutions 1% Portfolio.

Green buildings

### Asset class invested

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

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

45

- Infrastructure
- Hedge funds
- Cash
- Other (1)
- Other (2)

### Brief description and measures of investment

Using IGCC standard for low carbon investments registry for property, being a 5 star or above NABERS Energy rating. All Cbus property buildings are at or above this rating.

- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing

### Asset class invested

- Listed equity
- Fixed income - SSA

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

1

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Infrastructure
- Hedge funds
- Cash
- Other (1)
- Other (2)

#### Brief description and measures of investment

In March 2019 we participated in the first National Housing Financing and Investment Corporation (NHFIC) bond issue which raised \$315 million to support social housing. The bonds have a Government guarantee and a AAA credit rating, the highest credit rating a bond can receive.

- Education
  - Global health
  - Water
  - Other area, specify
- No