



CLIMATE TRANSPARENCY REPORT

2019

Fator Administração de Recursos

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/-D1DF03B4-669A-4A40-B92B-BDDC13701C37/00000000-0000-0000-0000-000000000000/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 | ✓ | Private | | | | |
| SG 14.2 | - | Private | | | | |
| SG 14.3 | - | Private | | | | |
| SG 14.4 | - | Private | | | | |
| SG 14.5 | - | 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 | Fator Administração de Recursos |
| Signatory Category | Mixed Services |
| Signatory Type | Investment Manager |
| Size | US\$ 0.1 - 0.99 billion AUM |
| Main Asset Class | >50% Fixed Income SSA Internally Managed |
| Signed PRI Initiative | 2017 |
| Region | Latin America |
| Country | Brazil |
| Disclosure of Voluntary Indicators | 0% from 38 Voluntary indicators |

Fator Administração de Recursos

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
 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

Governance and human resources

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

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

Describe

We evaluate 28 items regarding Environment, Social and Governance issues. We input a grade to each one of those items and for each company covered by our research team. According to the methodology, the grade is normalized and may increase or decrease the target price up to 5%.

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

The ESG analysis is used to decide the allocation in a specific asset and then impact the portfolio

composition in terms of assets and sectors.

We do not consider ESG issues in strategic asset allocation

| | | | | |
|-------|---|---------|---------------------|-------|
| SG 14 | Mandatory to Report Voluntary to Disclose | Private | Additional Assessed | PRI 1 |
|-------|---|---------|---------------------|-------|

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 15 | Mandatory to Report Voluntary to Disclose | Private | Descriptive | PRI 1 |
|-------|---|---------|-------------|-------|

SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

40.92

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.

Area

- Energy efficiency / Clean technology
- Renewable energy

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

% of AUM

33.8

- Fixed income - Securitised
- Cash

Brief description and measures of investment

Clean energy

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

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

% of AUM

1.36

- Fixed income - Securitised
- Cash

Brief description and measures of investment

Private education

- Global health
- Water

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

% of AUM

5.68

Fixed income - Securitised

Cash

Brief description and measures of investment

Basic sanitation

Other area, specify

No