



CLIMATE TRANSPARENCY REPORT 2020

KBI Global Investors

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/-A715F96B-7862-4D73-8220-202E48AF980C/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	
Name	KBI Global Investors
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 10 - 29.99 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2011
Region	Europe
Country	Ireland
Disclosure of Voluntary Indicators	97% from 38 Voluntary indicators

KBI Global Investors

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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We have identified a number of risks and opportunities that arise in our investment strategies, as outlined below.

For our Global Equity Strategy portfolios, which are broad-based equity portfolios seeking to outperform broad equity market benchmarks, climate change related risks exist in many industry sectors, including (but not limited to) utilities, energy, financial services (particularly insurance), transportation and materials. In most cases, companies in these sectors are at significant risk of being adversely impacted by regulatory and similar pressures to reduce greenhouse gas emissions, which may reduce future profitability and/or require significant changes to the companies' business model. In other cases, there are significant physical risks (e.g. insurance companies which have exposure to rising sea-levels).

The Global Equity Strategy portfolios also have actual or potential investments in companies which have opportunities to grow their business, and their earnings, as a result of climate change. Examples include companies which are providing products or services in the area of climate change mitigation or adaptation, such as renewable energy utilities. In some cases, e.g. auto companies, the same companies face both opportunities and risks.

For our Natural Resources equity strategies, we have identified many companies with climate-related opportunities. Our Energy Solutions strategy, in particular, invests only in companies which provide solutions to the scarcity of clean energy, but our Water and Agribusiness and our Sustainable Infrastructure strategies also invest in several companies which are well placed to benefit from the opportunities arising from climate change. We have also identified companies held in our Natural Resources strategies which face climate-related risks. Typically, the companies in which we invest for these strategies are not exposed to substantial risk from the need to reduce their own greenhouse gas emissions (due to the nature of their business activities) but some companies, for example companies which own farmland, are exposed to unclear physical risks from climate change, such as increased flooding or drought. Other companies face indirect risks, for example they may supply goods or technical services to a sector which in turn faces the need to change its fundamental business model due to climate change.

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.

The range of risks and opportunities across our portfolios is very wide and the timescale ranges from very short-term to very long-term.

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

We actively monitor our portfolios for climate-related risks and opportunities, and we use the tool provided by the PRI and the Two Degrees Investing Initiative ('PACTA'), and carbon footprint data from an external supplier, to do so, although of course we also use our own judgement and expertise. Further, we engage directly with companies to assess climate-related risks and opportunities for specific companies.

This is something that comes easily to this firm, as we identified the opportunities from climate change as long ago as 2000, when we launched our Energy Solutions strategy, investing only in companies providing solutions to the global shortage of clean energy.

In terms of risks, we have for some time concluded that the climate-related risk associated with thermal coal extraction is too large to merit investment, and so we exclude large-scale investment in thermal coal extraction and generation from all portfolios.

Internally (and separate to our investment process) we have a Sustainability Committee which has implemented a number of measures related to climate, including encouraging a move to electric vehicles for our car fleet (now about 25% EV), elimination of single-use plastics, and similar measures.

No

**SG 1.10
CC**

Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- 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

SG 07 CC

Mandatory to Report Voluntary to Disclose

Public

Descriptive

General

**SG 07.5
CC**

Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

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

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

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.

Three Board members sit on the firm's Responsible Investing ("RI") Committee, which is a sub-committee of the firm's Executive Committee (which is a sub-committee of the Board). The RI Committee generally meets monthly and its remit includes consideration of all climate change-related issues, including for example the firm's use of the PRI's PACTA tool to carry out scenario analysis on the firm's investment funds/portfolios, and the firm's Impact reporting on the extent to which certain portfolios are aligned with SDG 13, Climate Action. The Board members on the firm's RI Committee keep the full board informed of such issues and also on any Board-related matters/discussions on such issues.

SG 07.8 CC	Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.
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- 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.).
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- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

	Describe
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We have used the PACTA tool that the PRI made available with the Two Degree Investing Initiative to run scenario analysis for all of our portfolios. The purpose was to assess the extent to which the portfolios were consistent with a Two Degree scenario, and to have a first look.

- 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
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- 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	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

We have used the PACTA tool that the PRI made available with the Two Degree Investing Initiative to run scenario analysis for all of our portfolios. The purpose was to assess the extent to which the portfolios were consistent with a Two Degree scenario, and to have a "first look" at what changes to the portfolios might be required to make them consistent. Also we were interested to see what opportunities (as well as risks) were present.

We have not, as yet, comprehensively incorporated this information into our investment process.

Incorporation into investment analysis

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

We have used the PACTA tool that the PRI made available with the Two Degree Investing Initiative to run scenario analysis for all of our portfolios. The purpose was to assess the extent to which the portfolios were consistent with a Two Degree scenario, and to have a "first look" at what changes to the portfolios might be required to make them consistent. Also we were interested to see what opportunities (as well as risks) were present.

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

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 checked="" type="checkbox"/> Sustainable Development Scenario (SDS)
IEA	<input checked="" type="checkbox"/> New Policy Scenario (NPS)
IEA	<input checked="" 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

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			741	900	000
Currency	EUR				
Assets in USD			817	797	332

Specify the framework or taxonomy used.

This figure encompasses our Energy Solutions strategy, which invests only in companies providing solutions to the global shortage of clean energy, and the clean energy portion of our Sustainable Infrastructure strategy, which again invests only in companies involved with sustainable energy infrastructure. It also includes half of the AUM of our Water strategy, representing our estimate of the proportion of that portfolio which is related to low carbon or climate resiliency.

At this time, we do not use an external taxonomy, but all investments in these portfolios must be approved by the firm's Responsible Investing Committee as being appropriate for purpose.

- 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 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
Weighted average carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	What is the portfolio's exposure to carbon intensive companies?	tons CO2e / \$M sales	Carbon intensity is the ratio of portfolio carbon emissions normalised by the portfolio's claim on sales. Weighted average carbon intensity is the sum product of the portfolio weights and carbon intensities.
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	What is the portfolio's total carbon footprint?	tons CO2e / \$M invested	Sum of all the emissions in the portfolio based on the portfolio's ownership share, expressed as per \$1m invested.
Portfolio carbon footprint	<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 million dollars invested?	tons CO2e / \$M Invested	
Carbon intensity	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	How efficient is the portfolio in terms of carbon emissions per unit of output?	tons CO2e / \$M sales	This is the ratio of portfolio carbon emissions normalised by the portfolio's claim on sales.
Exposure to carbon-related assets	<input type="checkbox"/> All assets <input checked="" type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	What % of portfolio has exposure to carbon?	% of portfolio in Materials, Utilities, and Energy sectors	

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

Please describe

Climate change issues were considered as a risk for inclusion in the firm's overall risk framework. However it was decided by the firm's executive committee that it was not among the top risks for a 1-3 year time period ahead.

**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

We are active members of the Climate Action 100+ initiative, attending the launch event in New York and participating in several conference calls and reviews over the period since then, as well as being part of the lead investor group for several target companies.

Separately, we specifically prioritise climate change issues in our direct engagement programme and have requested TCFD compliance and or CDP disclosure from many companies.

- 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.

Yes

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

%

13

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

Asset class invested

Listed equity

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

1.0

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Cash

Brief description and measures of investment

We have been a pioneer in thematic investing, investing in publicly traded equities of companies providing solutions to low carbon energy provision since 2000. We invest in clean tech providers in our Energy Solutions , Water , Global Natural Resources and Global Sustainable Infrastructure strategies.

- Renewable energy

Asset class invested

- Listed equity

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

0.5

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitized
- Property
- Cash

Brief description and measures of investment

We have been a pioneer in thematic investing, investing in publicly traded equities of companies providing solutions to low carbon energy provision since 2000. Renewable Energy is a significant component of our Energy Solutions strategy.

- Green buildings

Asset class invested

- Listed equity

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

0.3

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitized
- Property
- Cash

Brief description and measures of investment

"Energy Efficiency" is a large portion of our Energy Solutions equity strategy.

- Sustainable forestry
- Sustainable agriculture

Asset class invested

- Listed equity

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

0.1

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Cash

Brief description and measures of investment

Our Global Natural Resources strategy and our Global Sustainable Infrastructure strategy invest inter alia in companies providing solutions to the shortage of food and the need to ensure sustainable use of land. These include Agricultural producers, suppliers, processors and service providers.

- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water

Asset class invested

- Listed equity

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

10

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Property
- Cash

Brief description and measures of investment

The KBI Water Strategy invests exclusively in companies striving to meet the world's demand for clean water.

- Other area, specify
- No