



CLIMATE TRANSPARENCY REPORT 2020

PHITRUST

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/-79B66C12-FDB1-45EE-A04E-1964C7FD93B6/79894dbc337a40828d895f9402aa63de/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	
Name	PHITRUST
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 0 - 0.1 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2007
Region	Europe
Country	France
Disclosure of Voluntary Indicators	28% from 38 Voluntary indicators

PHITRUST

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 01.6	Additional information [Optional].
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Phitrust exercises its active ownership policy through its the Active Investors UCITS (France and Europe) : it maintains dialogue with listed companies (belonging to the CAC 40 or Eurostoxx indicis), participates in Annual General Meetings and exercises its voting rights.

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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For over 15 years, Phitrust has tried to prove that it is possible to reconcile financial performance with social and/or environmental impact, by favouring dialogue with large listed companies and supporting unlisted projects led by entrepreneurs.

What seemed then a utopian project has today become a concrete reality. While many players are seizing impact investing, we are one of the few French Asset Managers that can clearly demonstrate the success of maintaining dialogue with some large listed companies, through shareholder engagement and in Annual General Meetings, as well as promoting unlisted social enterprises, through financing and support, while still meeting our financial performance targets.

Today, in order to face the challenges of climate change and global warming, as well as demographic change, and a complex global & multi-dimensional financial system, we need more responsible investors who take real and concrete initiatives. We need to guide all the companies through a change in culture so that they may integrate the environmental impact and the social impact of their decisions in their strategic and operational decisions. Some Asset Managers have integrated this, and we try to identify them; others are not doing it yet, or are making promises, but in reality are doing very little. Phitrust is convinced that it is possible as an investor to lead them along this path that will be long and fraught, but so rewarding for employees, stakeholders and shareholders.

No

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

No

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

Climate risks are difficult to evaluate as the planet is difficult to modelize. Many of the natural disasters that we have been confronted to in the last 20 years had not been modelized as they have intensified. For example, forest fires a becoming a global risk, but a difficult to evaluate from a financial point of view.

**SG 01.8
CC**

Indicate whether the organisation publicly supports the TCFD?

- Yes
 No

Explain the rationale

We believe that the work and recommendations of the TCFD can help companies understand what financial markets want from disclosure in order to measure and respond to climate change risks. However, being a relatively small asset-management company, we do not publicly support the TCFD directly, but indirectly via the Swiss Proxy agency, ETHOS, which is part of Phitrust's shareholder engagement and AGM voting network. Ethos Fund publicly supports TCFD.

Ethos is composed of institutional investors whose purpose is to promote the consideration of sustainable development principles and corporate governance best practice in investment activities). Ethos regularly supports Phitrust in its shareholder engagement initiatives in Europe.

Ethos Foundation and the members of the Ethos Engagement Pool International are founding signatories of the Climate Action 100+ initiative, a five-year, investor-led initiative supported by 225 investors across the globe. Climate Action 100+ will engage the world's 100 largest corporate greenhouse gas emitters to curb emissions across their value chains, strengthen climate-related financial disclosures, and improve the governance of climate-related risks that may affect companies.

**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
 No

Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.

Phitrust's active shareholder engagement campaign in 2018 concerning the Science Based Targets initiative, has initiated the thorough analysis of climate-related risks and opportunities in its investment policy and shareholder engagement, as a long-term strategy. Phitrust will thus continue to refer the the SBT and follow the results on its investments. Many companies listed on the CAC40 index have answered to Phitrust's written questions that they were still working on a specific methodology applicable to their sector. However, some companies still seem resistant to this approach, especially in the oil & gas industry, as they are highly emitting industrial sectors. Therefore, Phitrust regularly holds meetings with executive members of companies that are not yet committed to the Science Based Targets initiative in order to find out if any progress has been made. Phitrust keeps track of those companies that have set targets in order to analyse the efforts made by these companies in order to achieve their targets, and if they think they are too easily achievable, or on the other hand, too ambitious.

**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

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.

Board members execute their responsibilities by assisting all board meetings and by providing their experience and feedback on climate related subjects.

The portfolio managers and ESG analysts participate in the preparation and implementation of the annual shareholder engagement campaign.

As during the previous years, letters have been written to the Chairman of the Board of all 40 of the CAC40 index companies, including those located outside of France (Headquarters located in the UK, Netherlands, Switzerland...) to explain why they have not yet signed and committed to the Science Based Targets initiative, or for those who have signed and sometimes have "targets set", to explain what they have learned from this experience and what they expect to further improve in order to continue to reduce their Greenhouse Gas (GHG) emissions.

Phitrust, along with the investors of the Phitrust Active Investors France fund, has sent written questions to CARREFOUR on the CAC40 index in preparation of their 2018 Annual General Meetings, encouraging the companies' participation in the Science Based Targets initiative.

This environmental campaign was approved by the Board of Directors provided with the upstream research, and was then presented the results of this campaign in order to discuss how to continue with this initiative. Phitrust does not lead any public shareholder engagement campaigns without the approval of its Board Members.

SG 07.7 CC

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

Climate related issues are evaluated individually for each company in the portfolio on the CAC40 index, especially with the adherence to the Science Based Targets initiative. Each company sets a time horizon for its climate targets, as well as specific quantitative targets. Extra-financial targets such as GHG emissions reduction targets and CO2 emissions reduction targets are often integrated in executive pay proposed to the shareholder's vote at the Annual General Meeting in France each year.

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
- No, our organisation does not currently carry out scenario analysis and/or modelling

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 description (1)

Change in international regulations and local laws, which could modify shareholders rights in France and Europe. For example, mergers submitted to the European Commissions' authorization.

- 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
- 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

other description

Phitrust has a dedicated shareholder engagement strategy aiming at encouraging GHG (green house gasses) reduction (notably via the Science Based Targets initiative methodology : SBTi)

- 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

other description

Phitrust has a initiated shareholder engagement strategy in France aiming at encouraging companies to reduce their GHG emissions, notably via the Science Based Targets initiative.

- 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
Climate-related targets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Reduce environmental impact	GHG emissions	SBTi
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Mesure environmental impact	GHG emissions & CO2	SBTi
Exposure to carbon-related assets	<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.

Targettype	Baseline year	Target year	Description	Attachments
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2017	2030	Committed companies to Science Based Targets initiative (SBTi)	
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2017	2030	Companies with Targets Set (SBTi)	
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2017	2030	Companies research methodologies in order to join the Science Based Targets initiative (SBTi)	
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2017	2030	Companies a part of the CDP A-List	
<input checked="" type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target	2017	2030	Companies unwilling to answer the CDP questionnaire	

**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

Phitrust Active Investors Europe mutual fund uses data from CDP (Carbon Disclosure Project) in order to select securities in which to invest based on the CDP A-List, but also those companies who have made considerable effort during the last 3-5 years, thus improving their grade and transparency in their reporting.

Scientific GHG (green house gas) emissions reduction targets are set by companies listed on the CAC40 index who are committed to the Science Based Targets initiative. Companies set the targets themselves are the experts of the SBTi approve these targets after a thorough review and analysis of their methodologies. Targets should not be too easily achievable and on the other hand, should not be over-ambitious. Phitrust urges french companies who are not yet comitted to the Science Based Targets initiative, to join or to take into consideration the construction of a methodology that will lead to the achievement of a climate change scenario compatible with the United Nation's 2 degrees scenario.

**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
- 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.

%

90

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

90

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

Brief description and measures of investment

Via our fund, Phitrust Active Investors Europe, we invest in clean-tech / low-carbon businesses such as, energy efficiency, clean technology, renewable energies and sustainable development. Such companies are for example, AIR LIQUIDE, ATOS, DANONE, ENEL, LEGRAND, SCHNEIDER ELECTRIC, REXEL and SAP. We are also invested in companies such as SAINT-GOBAIN, which specializes in construction materials, such as high-tech glass which can improve the energy efficiency of old and new buildings.

- Renewable energy

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
- Private equity
- Cash

Brief description and measures of investment

Via our fund, Phitrust Active Investors Europe, we invest in clean-tech businesses such as renewable energies. We are, for example, invested in ENGIE, EDP, IBERDROLA, and ENDESA.

- Green buildings

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
- Private equity

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

1

- Cash

Brief description and measures of investment

Via our fund, Phitrust Active Investors Europe, we invest in clean-tech businesses such as green buildings and commercial spaces. We are invest in Unibail-Rodamco-Westfield, which is attached to building and developing carbon neutral shopping centers and contributes to developing Smart-cities. We are also invest in SAINT-GOBAIN, which specializes in construction materials, such as high-tech glass which can improve the energy efficiency of old and new buildings.

Our fund Phitrust Active Investors France is also invested in BOUYGUES, SAINT-GOBAIN, and VINCI. These companies are implicated in the major project concerning LE GRAND PARIS, in order to make the region around the city of Paris more accessible by public transportation, in and out of the city, and with access to both airports. All around "big Paris", many green buildings and eco-districts/neighbourhood.

Phitrust Partenaires, our Private Equity fund is also invested in CHENELET, which produces wooden houses for low-income individuals, with a high-energy efficiency purpose, as well as short construction periods compared to traditional construction.

- Sustainable forestry
- Sustainable agriculture

Asset class invested

- Listed equity

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

1

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

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

1

- Cash

Brief description and measures of investment

We are invested in Danone, which develops sustainable agriculture practices. Phitrust Partenaires, our Private Equity fund is also invested in LA LAITERIE DU BERGER in Senegal, developing sustainable farming for local farmers in Senegal in order to promote circular and local economy practices.

- Microfinance

Asset class invested

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

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

1

- Cash

Brief description and measures of investment

Phitrust Partenaires, our Private Equity fund is also invested in various microfinance funds such as MICROFINANCE SOLIDAIRE and ENTREPRENEURS DU MONDE in France. Phitrust Partenaires works closely with the Microfinance institutions such as ADIE in France, and is invested in PER MICRO in Italie. Phitrust Partenaires has also invested in the fund INVESTISSEURS ET PARTENAIRES (I&P) which helps social entrepreneurs in Africa to develop their projects in the long term by providing financial and educational support.

- SME financing

Asset class invested

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

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

1

- Cash

Brief description and measures of investment

Phitrust Partenaires is specialised in financing SMEs developing social and environmental impact activities in France and Europe, but also in Africa via the fund I&P Développement.

- Social enterprise / community investing

Asset class invested

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

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

1

- Cash

Brief description and measures of investment

Phitrust Partenaires is specialised in financing SMEs developing social and environmental impact activities with a special focus on local economies, job creation and circular economy.

- Affordable housing

Asset class invested

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

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

1

- Cash

Brief description and measures of investment

Phitrust Partenaires is specialised in financing SMEs developing social and environmental impact activities with a special focus on local economies, job creation and circular economy. One of the portfolio's companies is CHENELET and FONCIERE CHENELET, which is specialised in the construction of high-quality wood houses (green buildings) for low income populations in France.

- Education
- Global health
- Water

Asset class invested

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

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

1

- Cash

Brief description and measures of investment

Phitrust Partenaires is specialised in financing SMEs developing social and environmental impact activities with a special focus on local economies, job creation and circular economy. One of the portfolio's companies is SWISS FRESH WATER, specialised in water pumps for local populations in Africa, who do not have access to clean and sanitary drinking and cooking water.

- Other area, specify

No

SG 15.4

Please attach any supporting information you wish to include. [OPTIONAL]

[File 1:RA-2018-BD.pdf](#)