



CLIMATE TRANSPARENCY REPORT 2020

Transtrend B.V.

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/-1A608AF6-19DB-4F6F-8F83-987A2E779F7E/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	Transtrend B.V.
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 1 - 4.99 billion AUM
Main Asset Class	>50% Hedge Funds Internally Managed
Signed PRI Initiative	2018
Region	Europe
Country	Netherlands
Disclosure of Voluntary Indicators	100% from 38 Voluntary indicators

Transtrend B.V.

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.

We believe that the major environmental challenges of the world, for instance the reduction of the carbon footprint, require large changes. Such changes form a major source of price risk - precisely the price risk that our Diversified Trend Program (DTP) is designed to take. Large fundamental changes in society require investors that are willing to bear the associated price risk. We cannot fulfill this role if we would exclude the areas where change is required from DTP's portfolio. Therefore, we strive to be actively involved in all those areas. In the example of carbon footprint reduction, this for instance requires investing in oil futures, electricity futures, copper futures as well as in carbon emissions futures, with the option to take both long and short positions.

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.

The transition to a low-carbon and climate resilient future is already well underway, already presenting market participants (not limited to investors) with risks and opportunities. We expect that this transition will continue to be an important factor driving a variety of markets in different ways. Such major transitional processes will likely take decades to complete, while also changing form and focus along the way, introducing yet new price risks which should be borne by active investors.

No

SG 01.8 CC Indicate whether the organisation publicly supports the TCFD?

Yes

No

Explain the rationale

We are in the process of assessing the TCFD recommendations.

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 believe that the major environmental challenges of the world, for instance the reduction of the carbon footprint, require large changes. Such changes form a major source of price risk - precisely the price risk that our Diversified Trend Program (DTP) is designed to take. Large fundamental changes in society require investors that are willing to bear the associated price risk. We cannot fulfill this role if we would exclude the areas where change is required from DTP's portfolio. Therefore, we strive to be actively involved in all those areas. In the example of carbon footprint reduction, this for instance requires investing in oil futures, electricity futures, copper futures as well as in carbon emissions futures, with the option to take both long and short positions.

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
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SG 07.5 CC Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

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

Investor relations

- 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

Other role, specify (1)

Trading and Electronic Trading teams

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

Other role, specify (2)

Operations team

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

SG 07.7 CC	For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.
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Transtrend's RI principles and practices (which include how we deal with transition and climate-related issues) are an integral part of our investment philosophy and are fully embedded in the design and implementation of our trading program's systems and applications. In the design, development, maintenance and daily application of our Diversified Trend Program (DTP), multiple teams within Transtrend are involved, including but not limited to Portfolio Management, Trading, Electronic Trading and Operations. RI responsibility is shared between all members of these teams.

On a daily basis we monitor whether our trading activity is in accordance with these principles. Various in-house developed monitoring applications run multiple times per day in order to detect undesired trading activity. Their output, together with relevant observations made by our Trading team, is evaluated by senior R&D staff and Risk Management staff. Additionally, employees are encouraged to signal trading behavior of which they think that it requires further analysis. This evaluation results in a daily "trade execution report" which is made available firm-wide.

In addition, on a monthly basis senior R&D staff check whether observed price moves still match the developments in the underlying markets and evaluate our trading program's contribution thereto. If we conclude that the strategy is not in sync with the market dynamics or society's expected needs, we look for improvements.

Risk Management and Transtrend's Head of R&D (who is a member of Transtrend's Board of Directors) allocate a substantial part of their time to the described monitoring.

Ultimately, Transtrend's Head of R&D is responsible for the construction, application and monitoring of Transtrend's RI policy and principles.

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
- 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.
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- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)

other description (1)

All such large, long term changes form a major source of price risk - our trading program is designed to take on such risks.

- 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

Include the markets where these risks and opportunities may present themselves in the portfolio, and trade them sizably in a responsible, liquidity-friendly manner.

- 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

Macro analysis aimed at determining which markets will likely be driven by transition and climate-related factors.

- None of the above

SG 14 CC

Voluntary

Public

General

SG 14.8 CC	Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.
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- Processes for climate-related risks are integrated into overall risk management

	Please describe
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We believe that the major environmental challenges of the world, for instance the reduction of the carbon footprint, require large changes. Such changes form a major source of price risk - precisely the price risk our trading program is designed to take. In the example of the carbon footprint, this at some point might result in (strong) price trends in a multitude of markets across different asset classes in which our trading program is designed to participate.

Within the program's portfolio construction and risk management framework, current factors (not only climate-related) driving different groups of markets are identified dynamically and exposure to these themes/trends is systematically kept within certain limits.

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

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
- No