

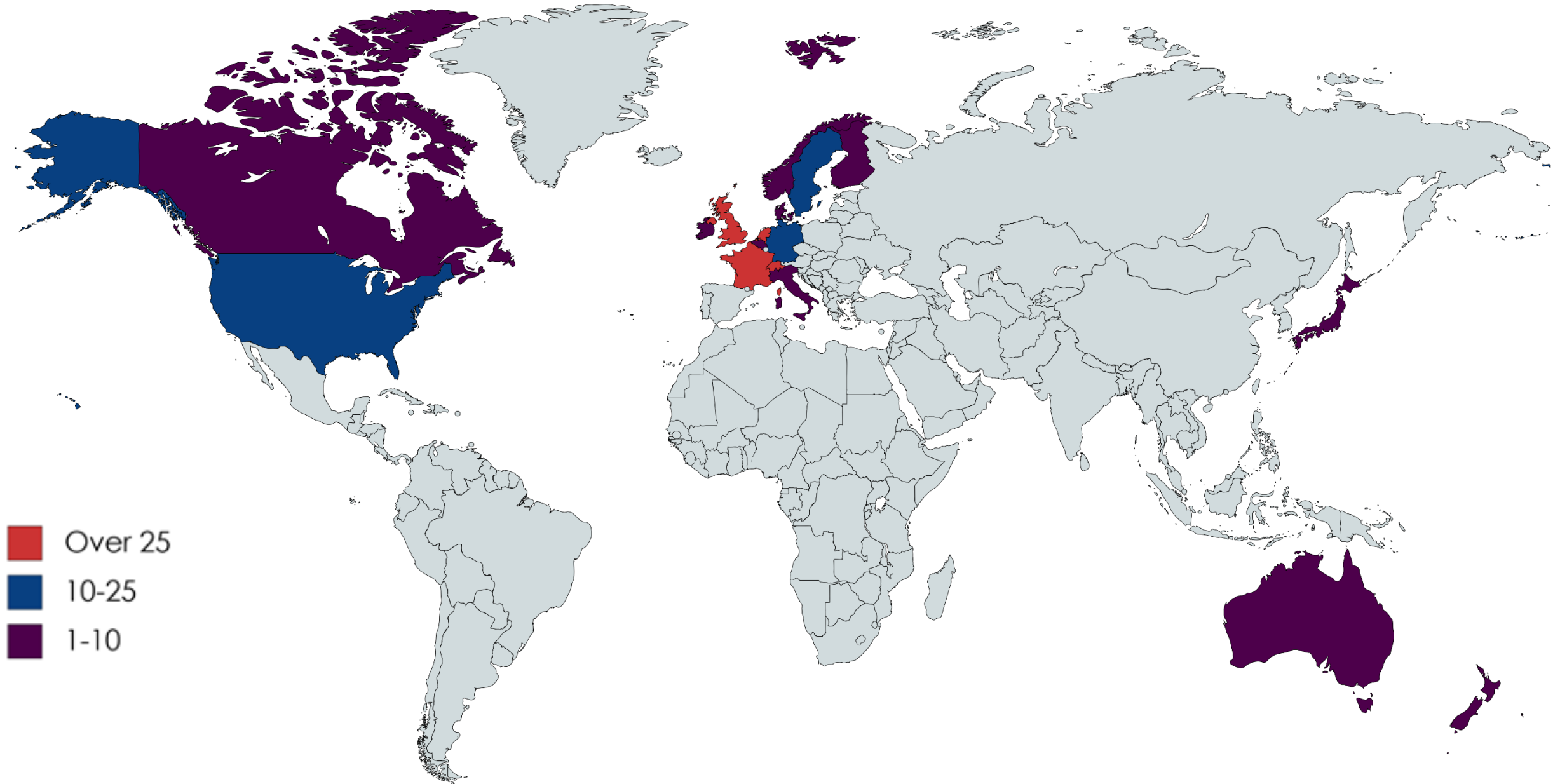


# ESG PERFORMANCE BENCHMARKS FOR INFRASTRUCTURE

PARIS, NOVEMBER 2017

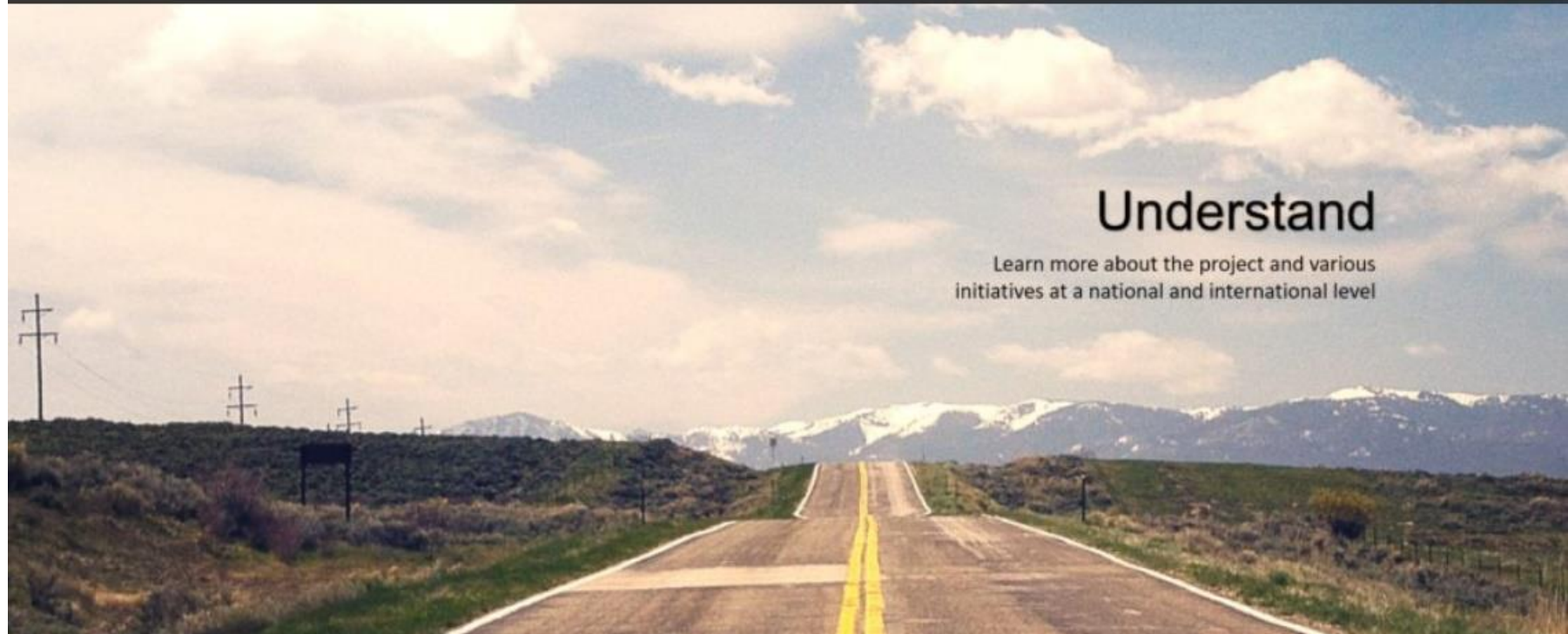


# 2°C scenario analysis with over 200 investors





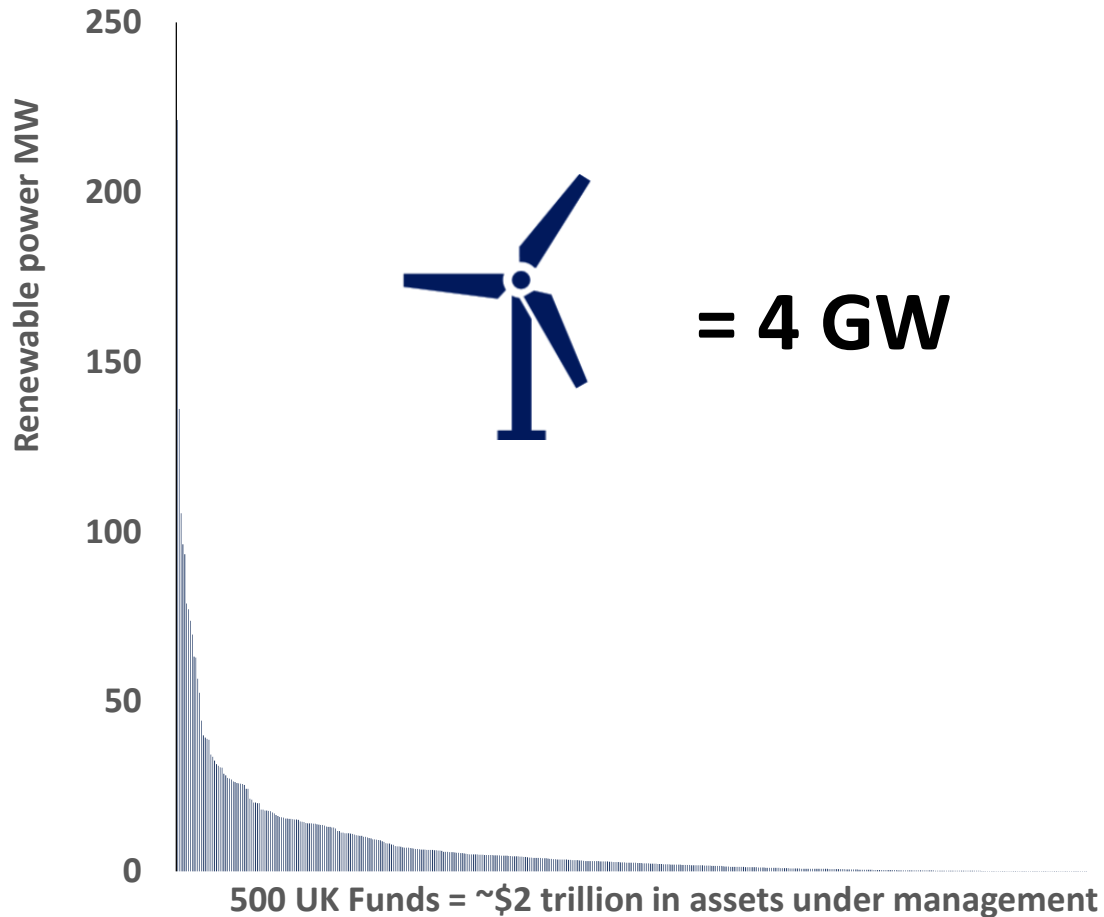
## Climate Alignment Pilot Tests

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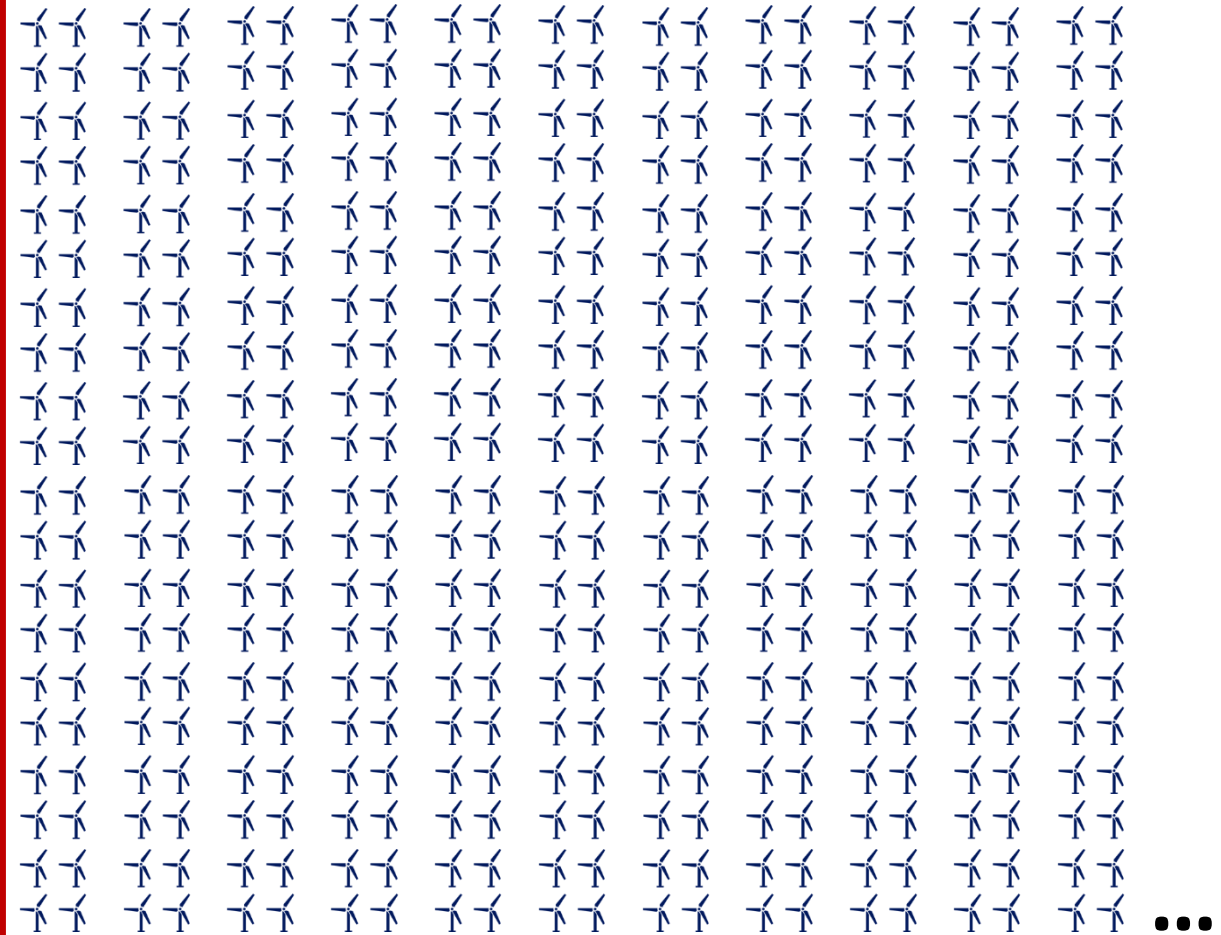


# Infrastructure is 100x more targeted...

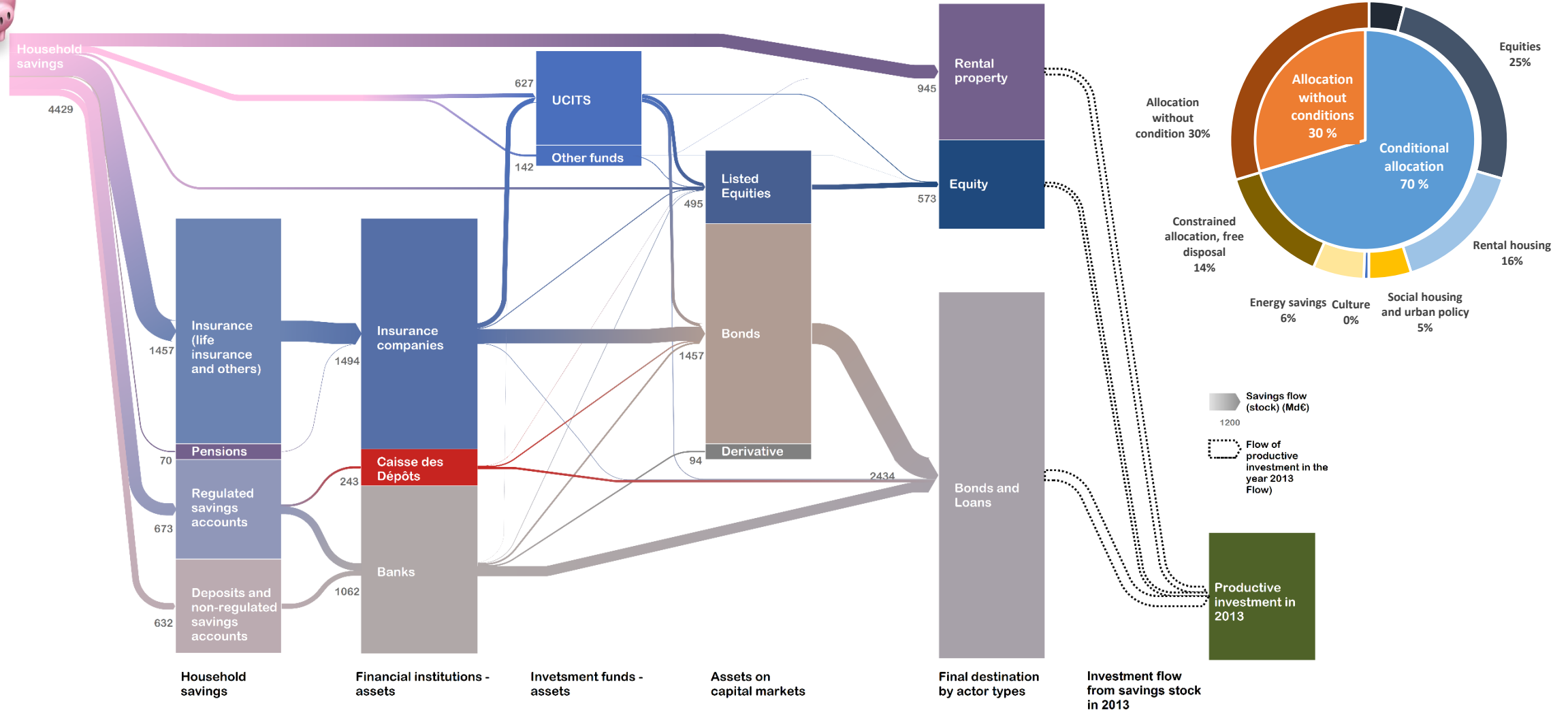
Installed renewable power capacity owned by the  
500 largest UK equity funds



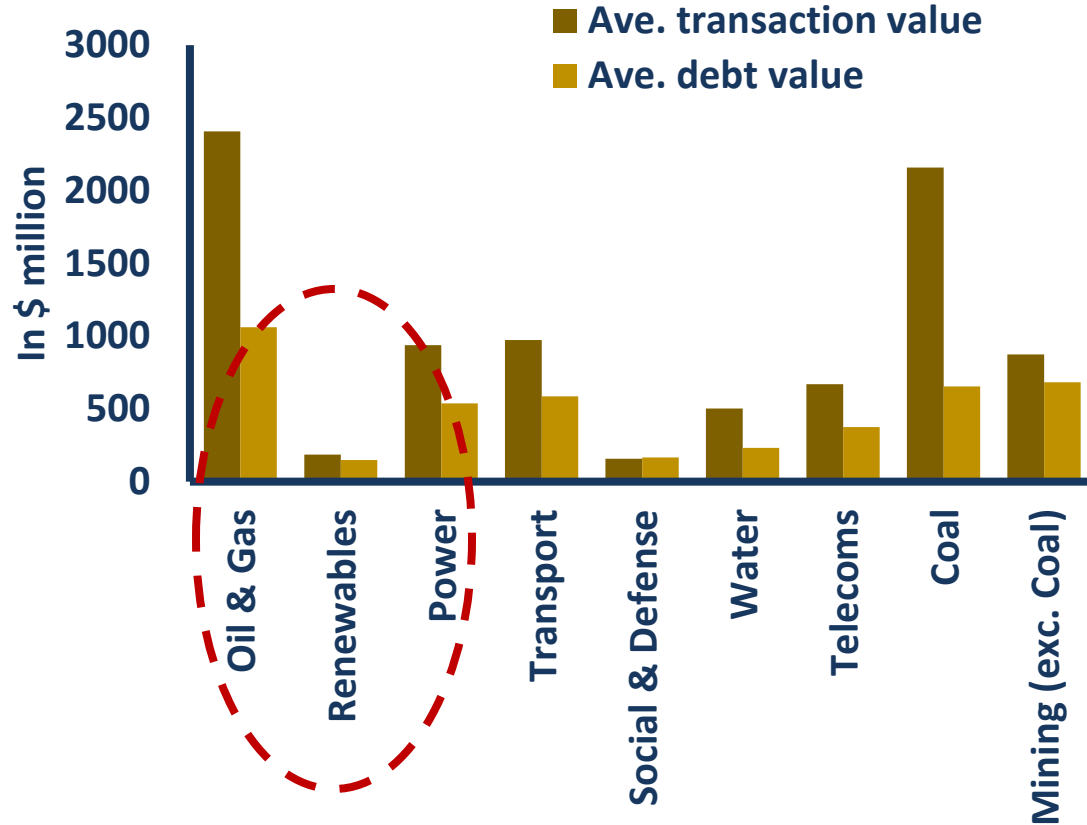
*Renewable power in renewable  
infrastructure portfolio of equivalent size*



# ...largely ignored from the perspective of fiscal incentives



# ...and systematically biased against renewables



## DATABASE

Transactions	Pipeline	Projects
<b>Total Projects 12206</b>		
<b>Sectors</b>		
Oil & Gas	1230	Renewables 4222
Power	1902	Transport 2068
Social & Defence	1886	Water 372
Telecoms	117	Mining 583
<b>Stages</b>		
Pre Development	1182	In Development 3501
Construction	2246	Operational 5224
Decommissioned	37	Cancelled 16

Number Of Results

145

Total Transaction Value (\$m)

232,851

Average Transaction Value

1,957

Total Debt Value (\$m)

39,583

Average Debt Value (\$m)

535

Average Concession Period

41.0

Average Debt Equity Ratio

72:28

Average Maturity Duration

7.5

Average BPS

338

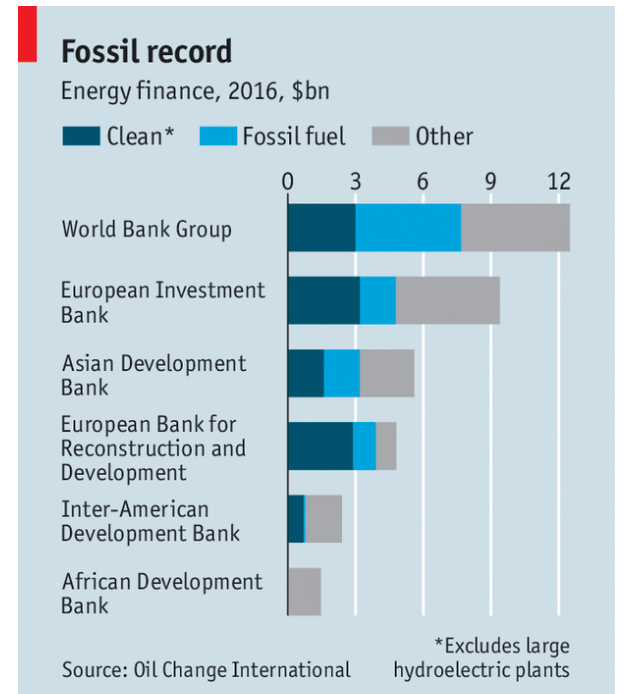
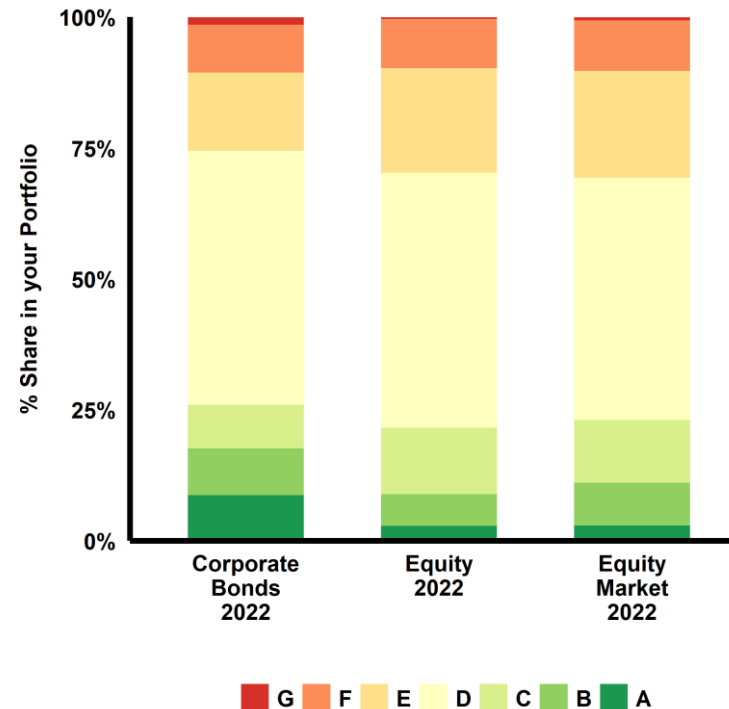
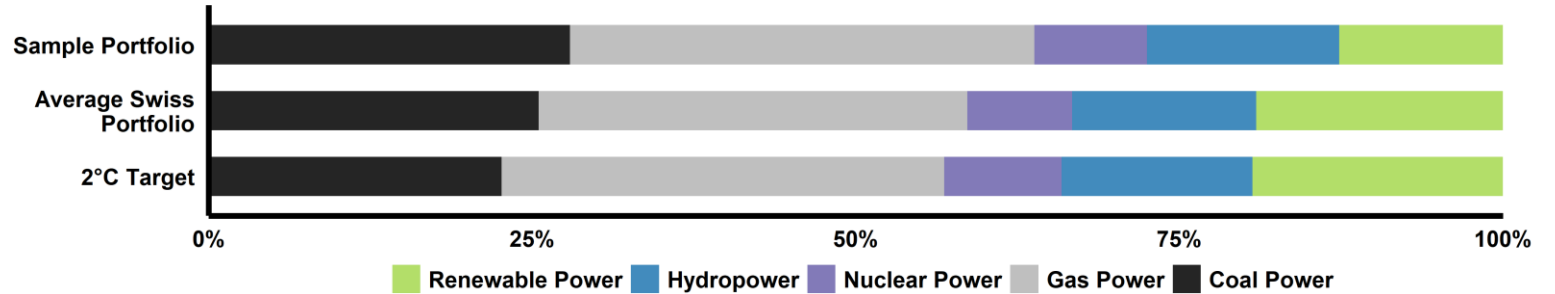
# Options for ESG Benchmarks

Technology / Categories

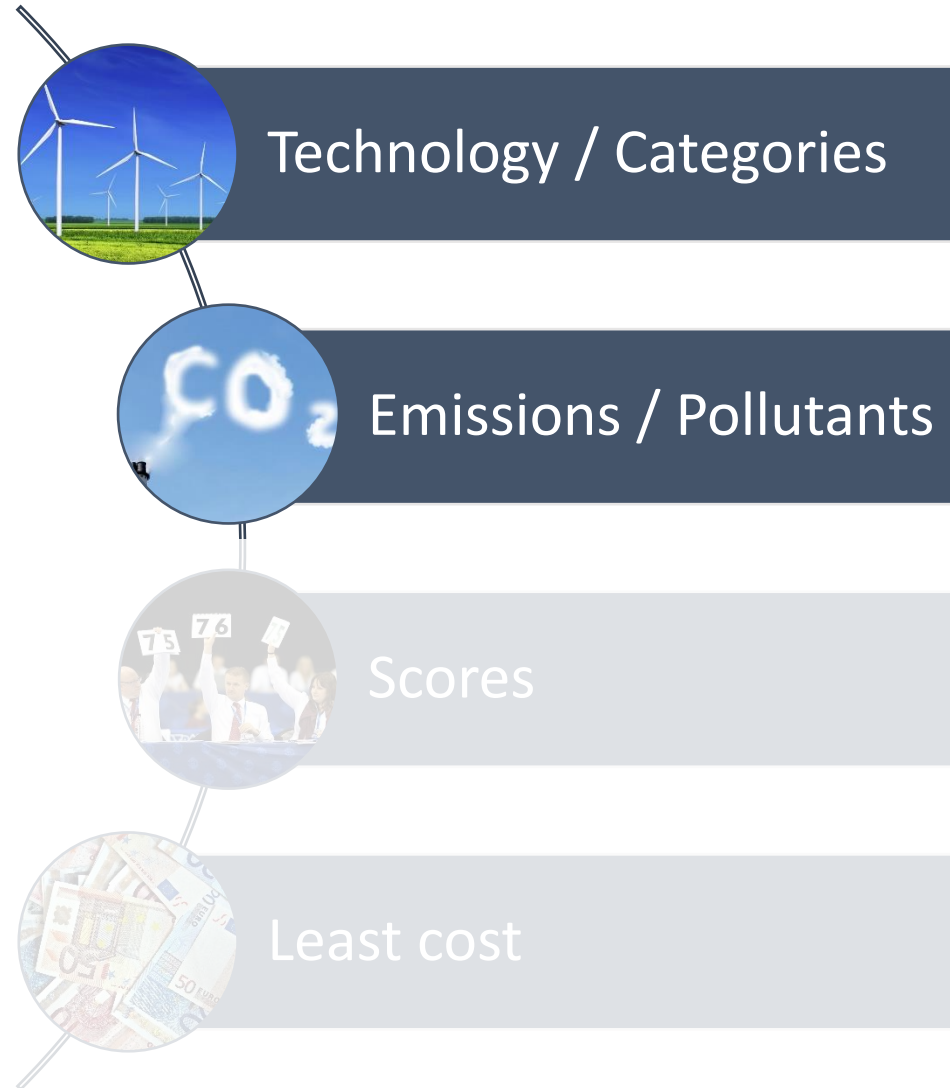
Emissions / Pollutants

Scores

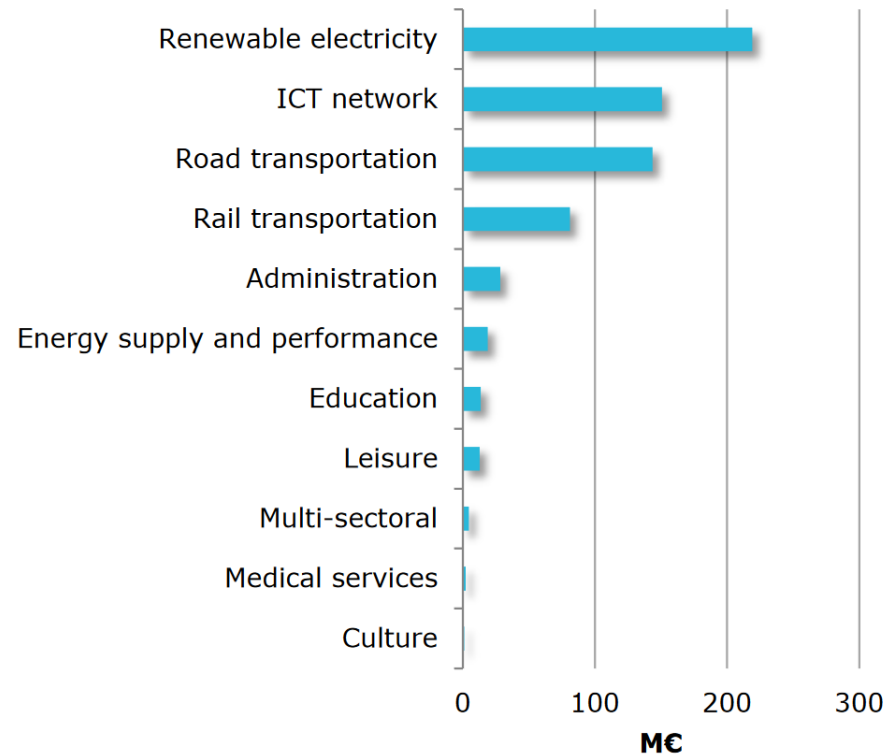
Least cost



# Options for ESG Benchmarks



**Invested capital – Classification by Project Type**



**Carbon Assessment**



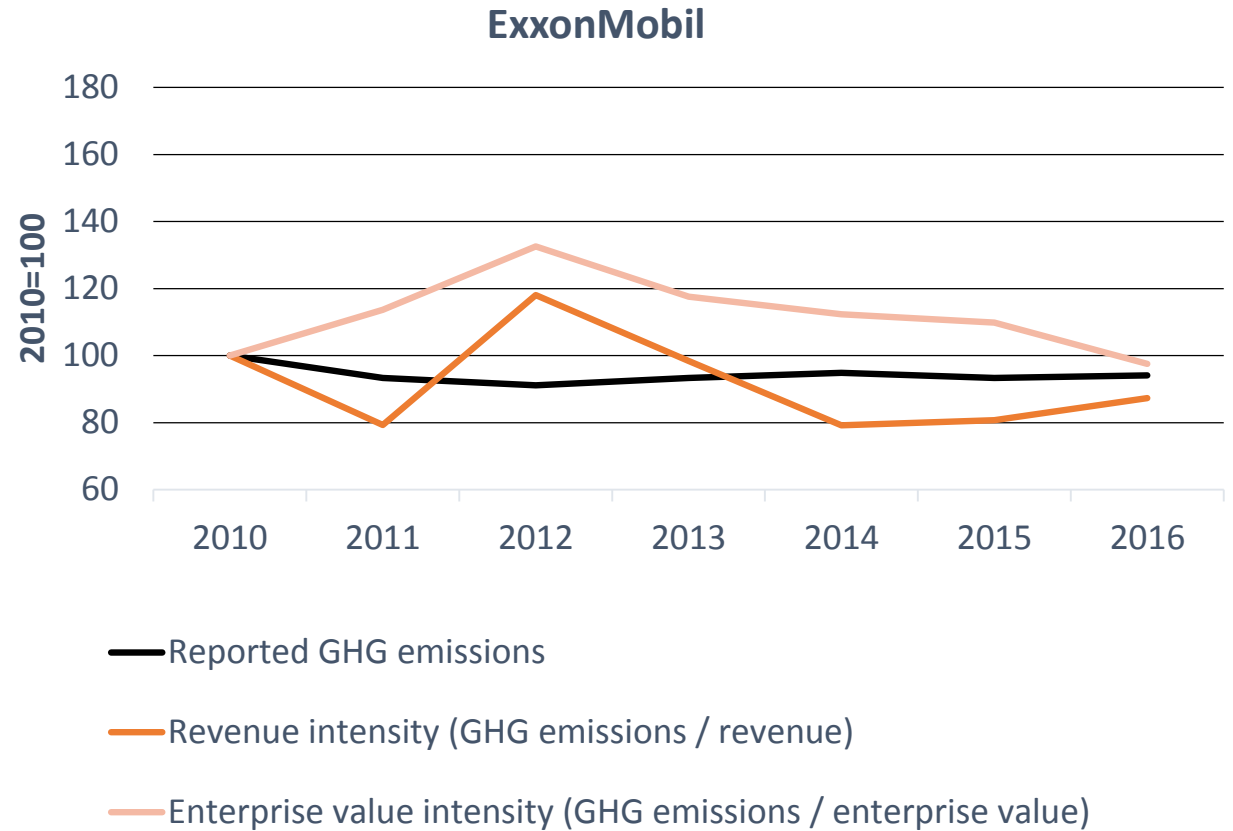
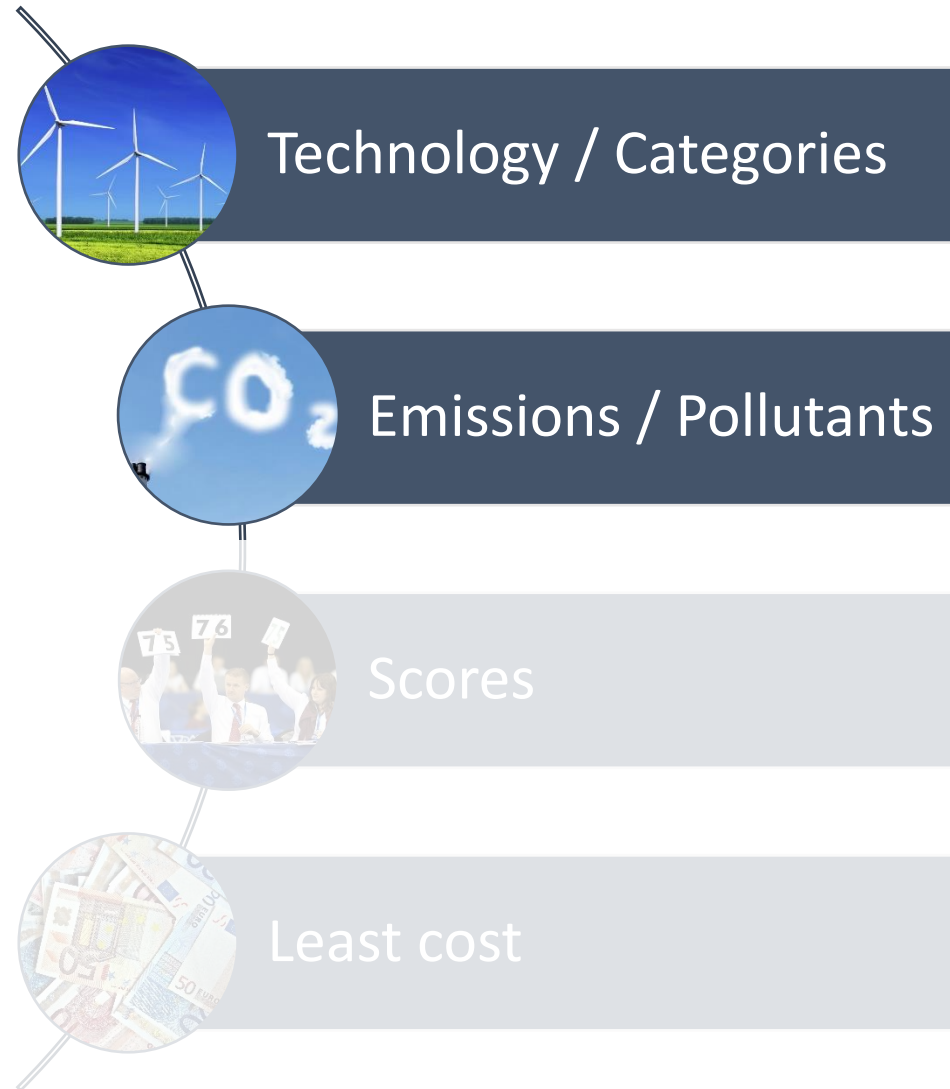
**1.5 °C**

Induced emissions: 130 tCO<sub>2</sub>eq./M€  
 Avoided emissions: - 155 tCO<sub>2</sub>eq./M€

Source: Mirova



# Options for ESG Benchmarks



**Normalization can create significant biases...**

# Options for ESG Benchmarks

A circular image showing several white wind turbines in a green field under a blue sky.

Technology / Categories

A circular image showing a blue sky with white clouds and a large, stylized 'CO2' text overlay.

Emissions / Pollutants

A circular image showing a group of people in business attire holding up white scorecards with numbers on them.

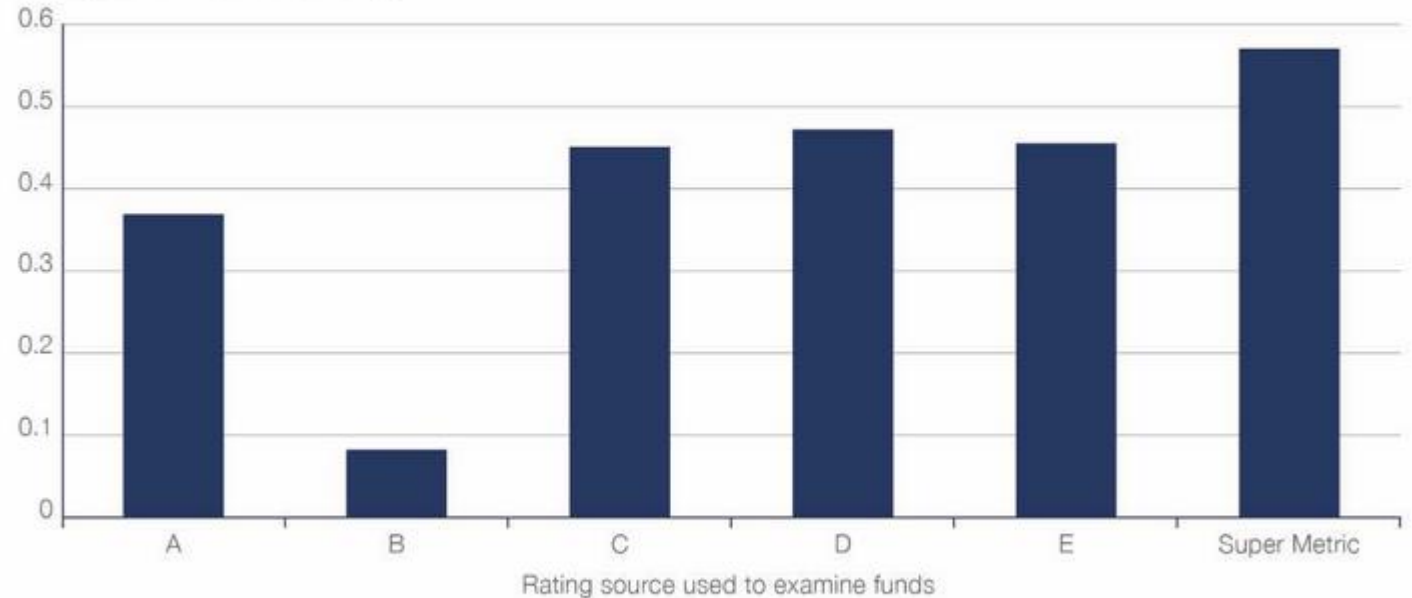
Scores

A circular image showing several Euro banknotes, including a 50 Euro note.

Least cost

## HOW SIMILAR ARE FUND ESG RATINGS USING DIFFERENT SCORING SYSTEMS?

Average correlation to other ratings



Source: Based on ratings by MSCI, Sustainalytics, RepRisk, EIRIS and Asset4 through data aggregator services. Ratings are converted to numerical values and normalised on a 1–100 scale. Data extracted in March 2016.

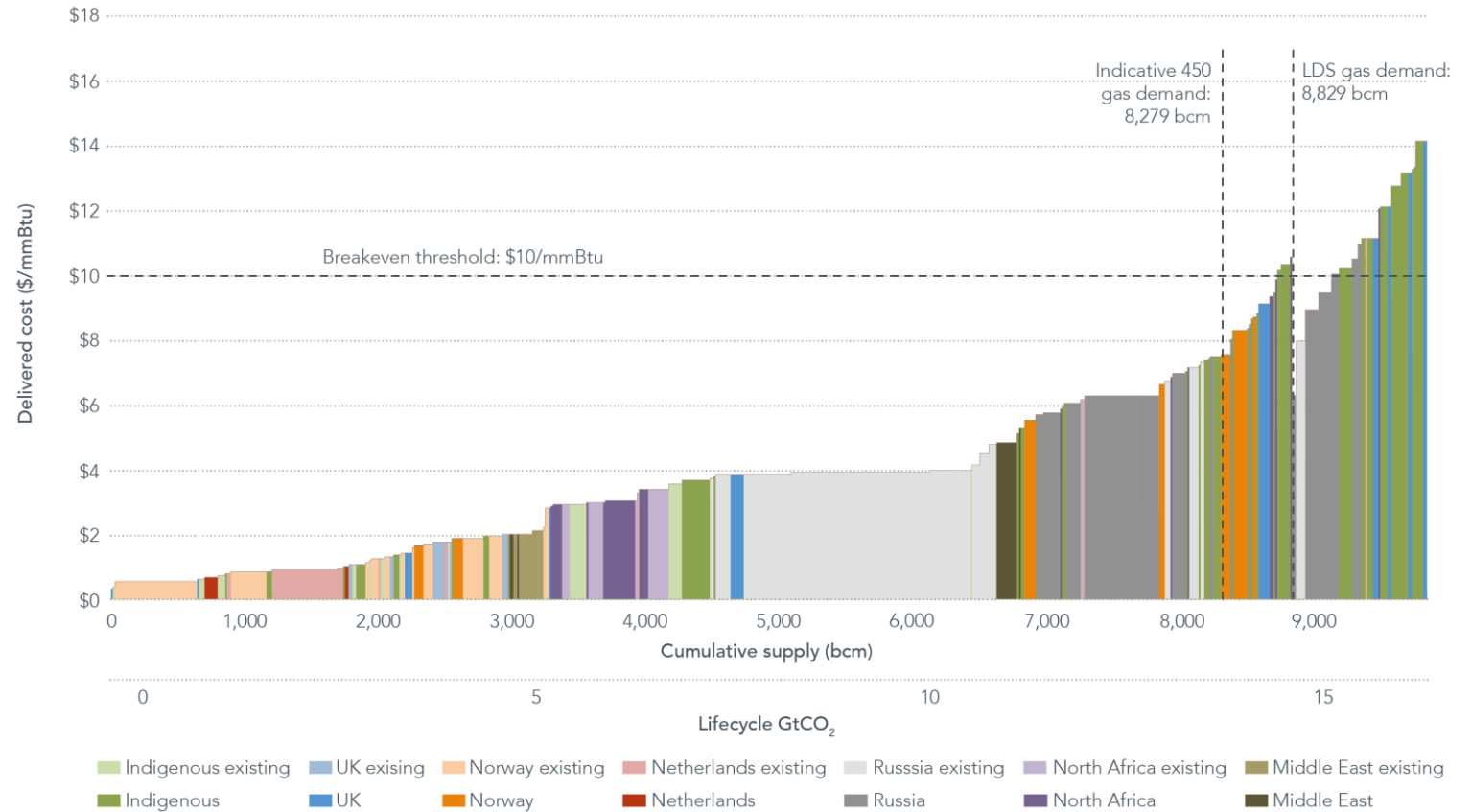
# Options for ESG Benchmarks

Technology / Categories

Emissions / Pollutants

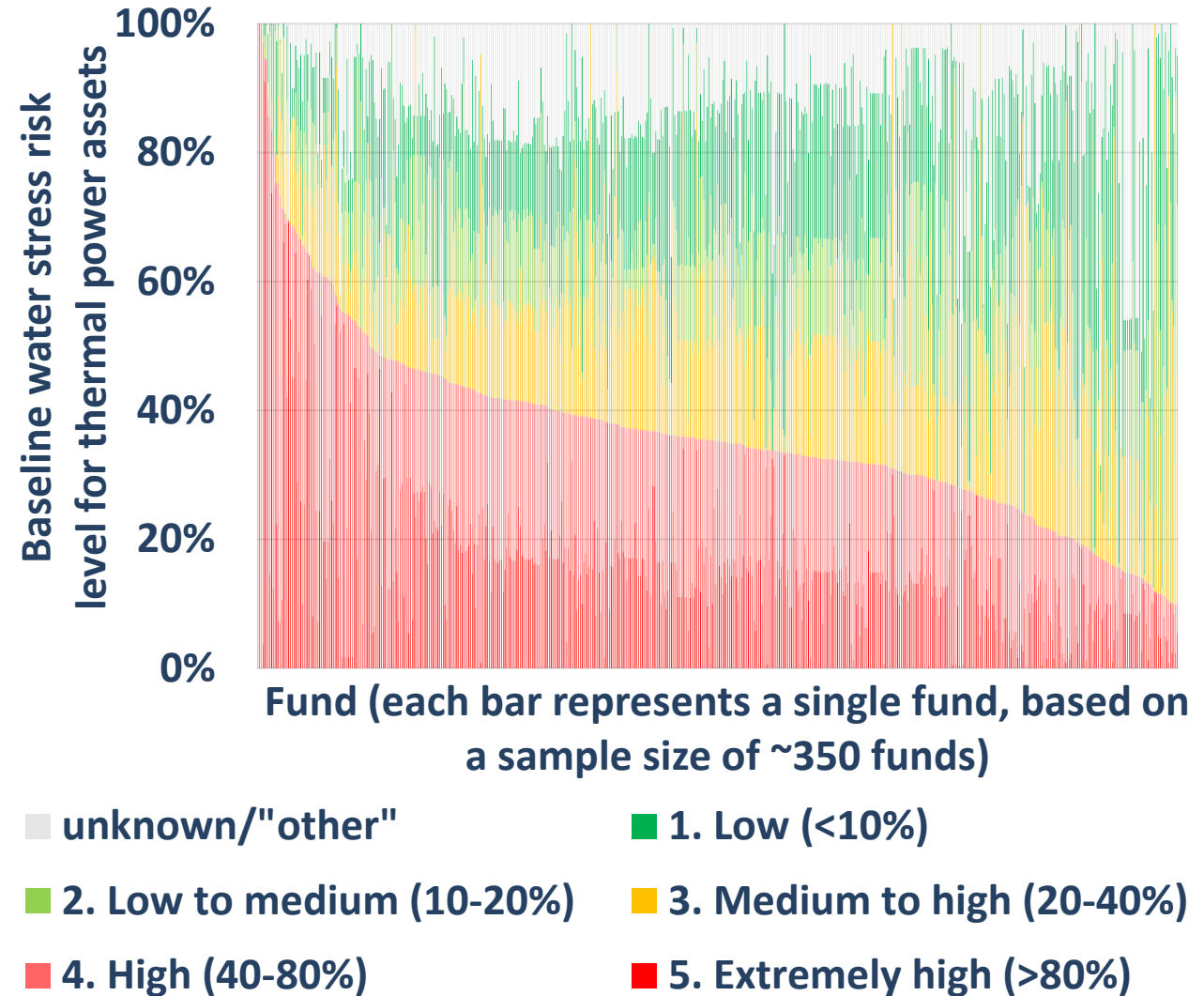
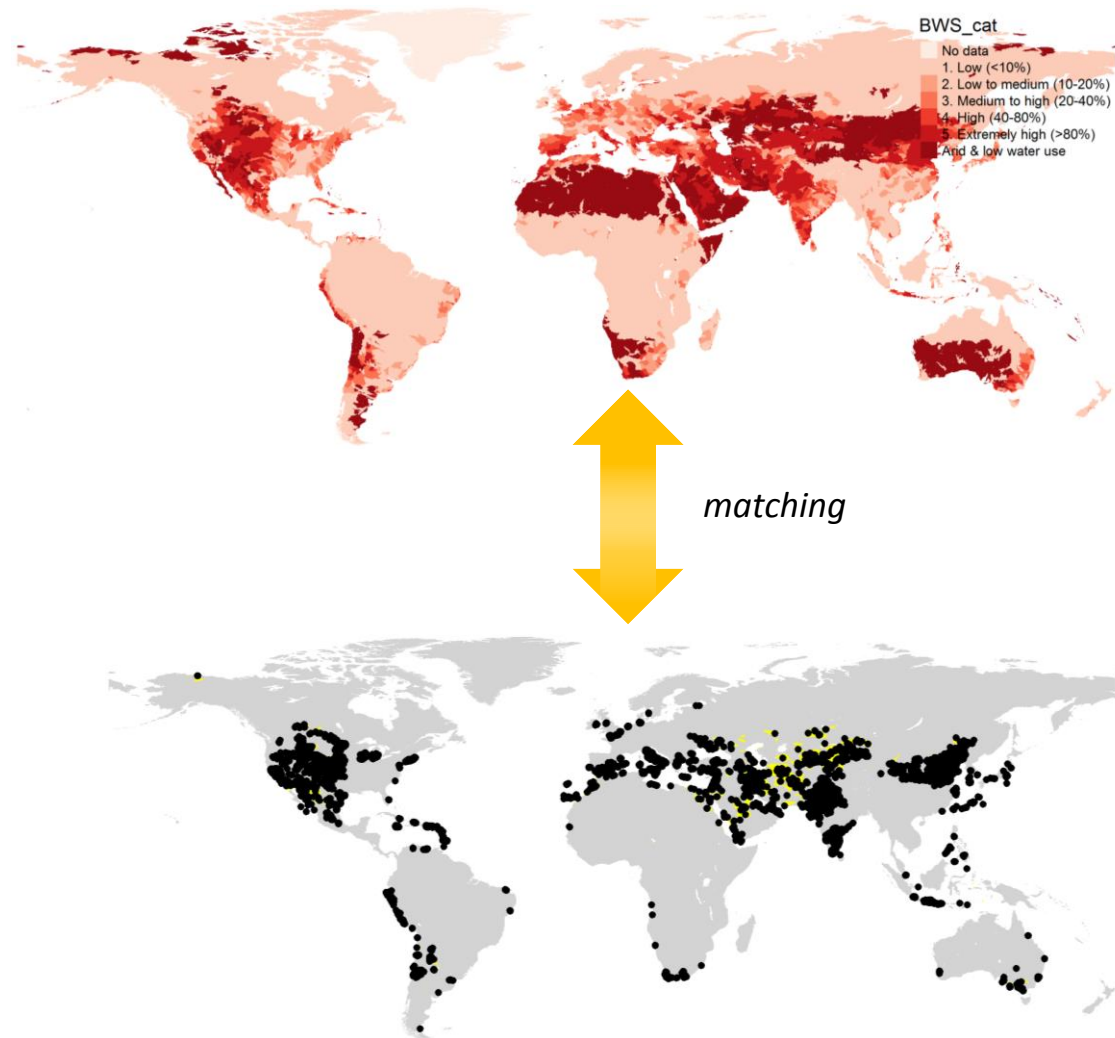
Scores

Least cost



Carbon Tracker Initiative carbon cost curves

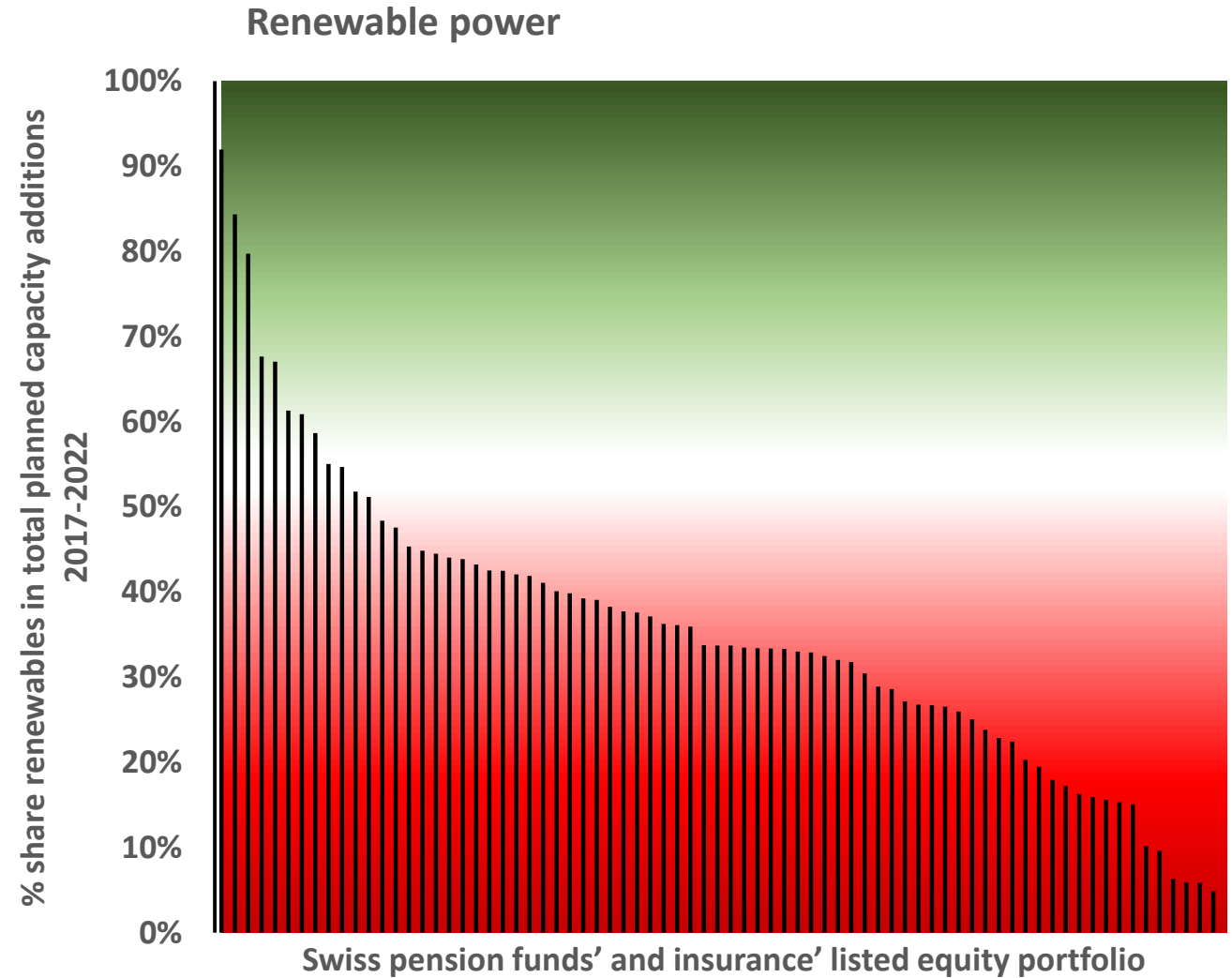
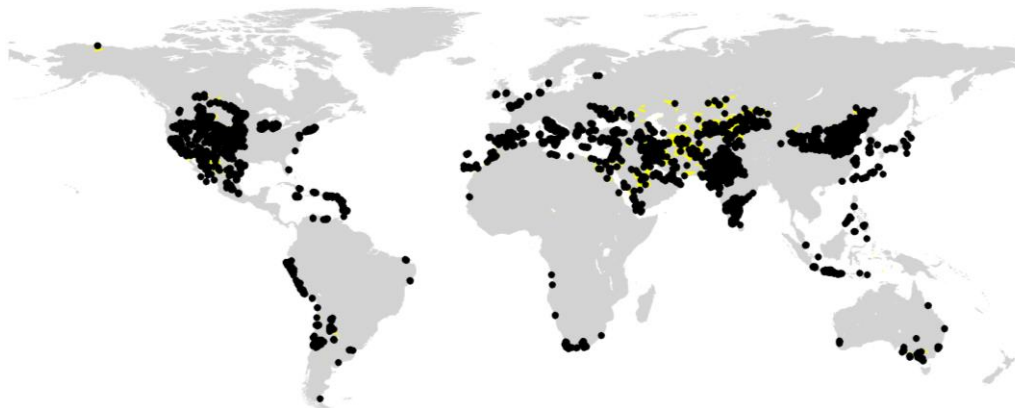
# Linking to scenarios – Physical risk



# Linking to scenarios – Transition risk



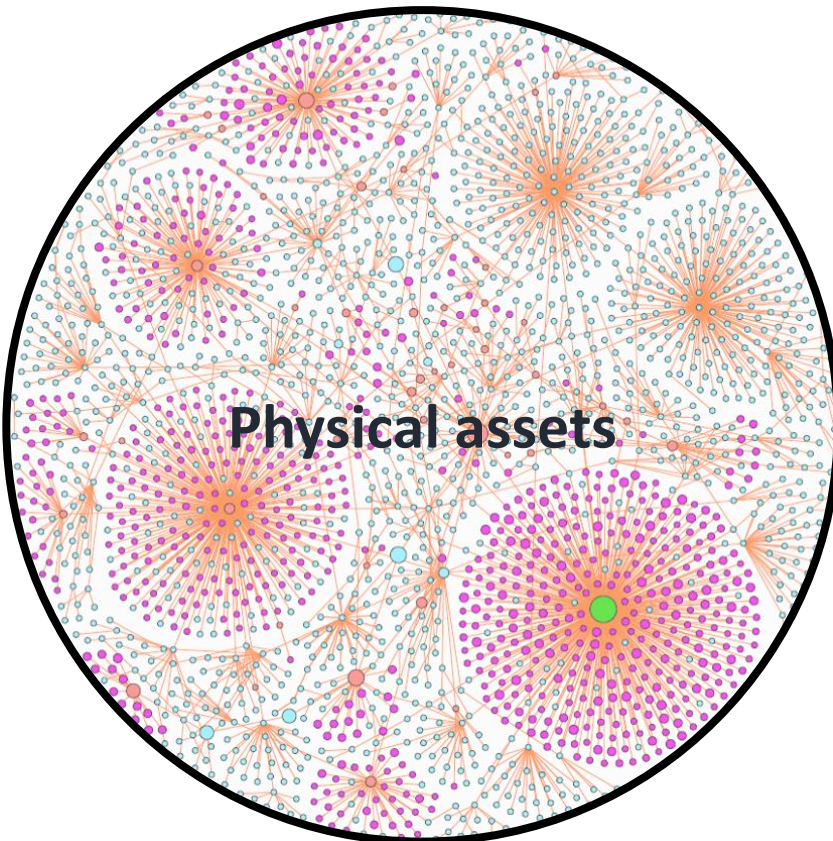
*matching*



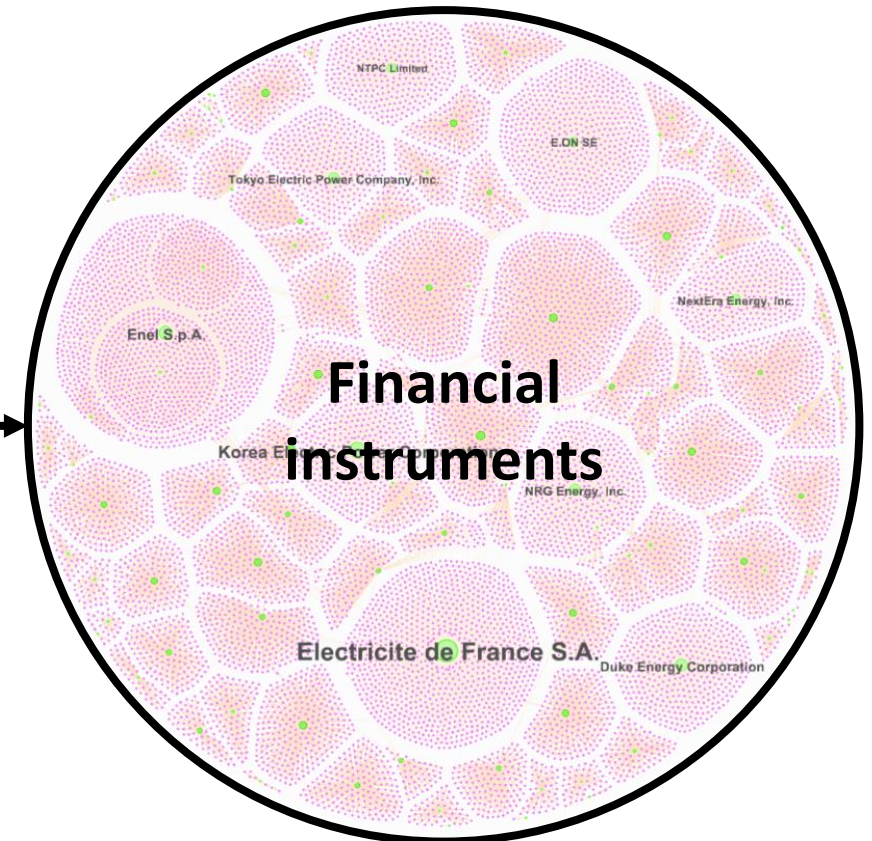


# Indirect infrastructure: The role of banks

Big data matching hundreds of thousands  
of physical assets with companies



A new system of identifiers across the  
global universe of financial assets, from  
local loans to global capital markets







Contact:

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PARIS, NOVEMBER 2017



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