



Green
Investment
Group

Pioneering Green Investment

Defining Green at the Green Investment Group

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Important notice and disclaimer



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**To accelerate
the transition
to a greener
global
economy**

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Green Investment Group



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GIG is a specialist developer, sponsor and investor, established to accelerate the transition to a greener global economy



Investment track record



£20+ bn

total transaction value of
green energy projects
supported¹



8 GW

operational renewable energy
capacity supported¹



Global footprint



350+ staff

in GIG or Macquarie operating
under the GIG brand



12+ countries

with **investments**
or operations



Green impact



461 TWh

lifetime renewable energy
generation²



174 MTCO₂e

lifetime GHG emissions
avoided²

1. Combining historic activity where UK Green Investment Bank (GIB), GIG or Macquarie Capital have contributed equity investment or debt.

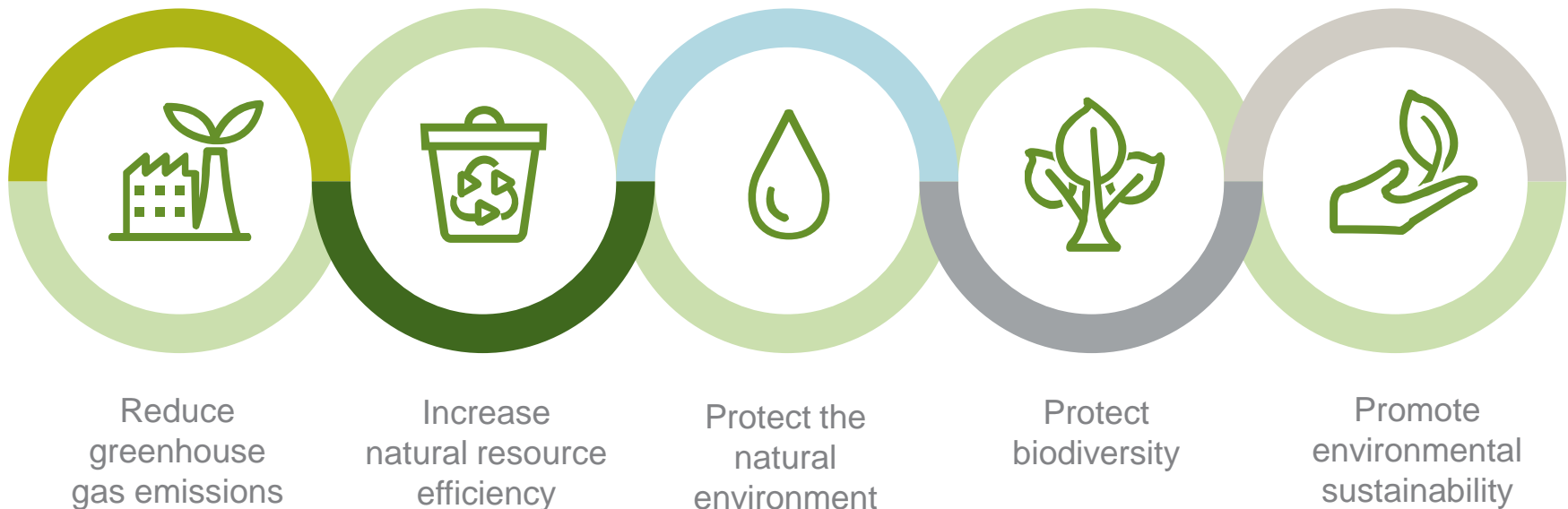
2. From cumulative GIB and GIG projects to 31 March 2018, including investments that are now held by other investors.

We are green



**Green
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Our investment strategy targets maximum 'green impact'. We define 'green impact' through five measures – our 'green purposes'

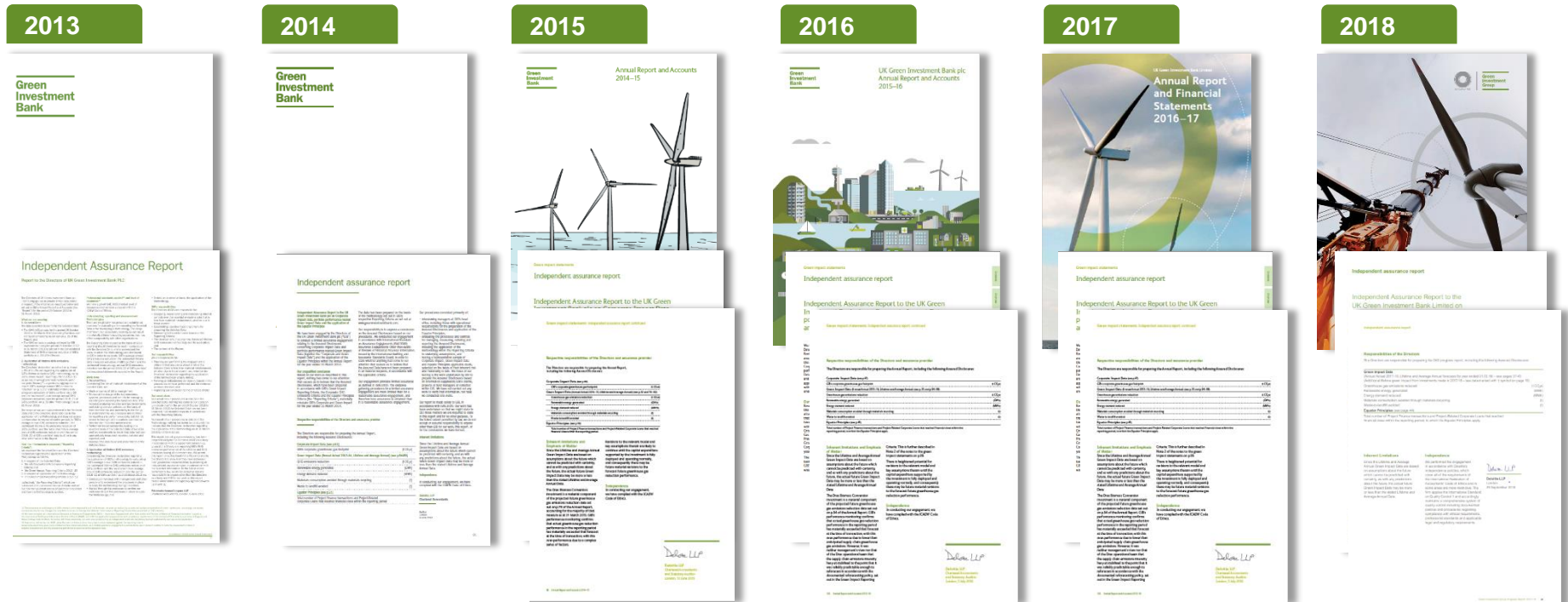


We take green reporting seriously...



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We report our 'Green Impact Statements' annually which are subject to independent assurance



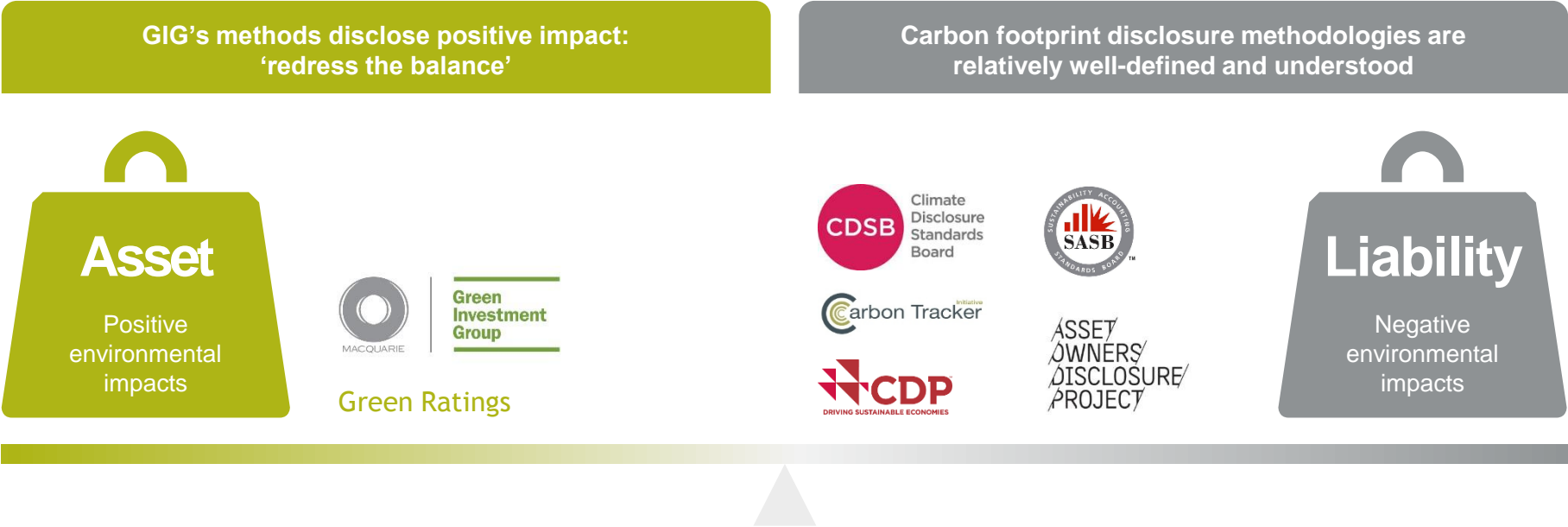
Our approach to green impact reporting is pioneering



Investors will be required to disclose the environmental impact of their portfolio.
This could build on our Green Impact Statements which appears in our annual report

Disclosure of climate / carbon impacts will be required by Asset Owners and Asset Managers:

- Consider and disclose quantified negative impacts of their investment portfolio (carbon footprint).
- By disclosing green impact, the contribution to the transition to the low carbon economy / and alignment with Paris Agreement is demonstrated to stakeholders.



We are aligned with the emerging global standard



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We are leading a group of international finance institutions, who have created a harmonised approach for GHG accounting published at the Paris COP¹



United Nations Framework
Convention on Climate Change
Support from
UNFCCC

The approach is consistent and comparable across geographies and technologies:

- GIG is at the forefront of supporting the development of the Harmonised Approach
- GHG calculation methodology is now standardised and is globally consistent
- Investors will be able to compare project-level GHG impact on a like-for-like basis
- Individual projects can be aggregated for portfolio-level reporting
- Also aligns with Green Bond Principles impact reporting recommendations



¹ http://greeninvestmentgroup.com/media/185866/ifi-harmonisation-framework-for-ghg-accounting_november-2015.pdf

Our handbook is a market reference



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The Green Investment Handbook¹ is recognised globally and is now one of the most visited and downloaded parts of our website. We ensure the same rigorous & standardised approach is applied for our partners and the broader market

Practical guide to integrating green into investment process...



This handbook should help bring greater consistency and standardisation to green investing for both new and existing players investing in green infrastructure globally

Rt Hon Greg Clark
Secretary of State for Business,
Energy and Industrial Strategy



Department for
Business, Energy
& Industrial Strategy



...promoted and adopted for use internationally

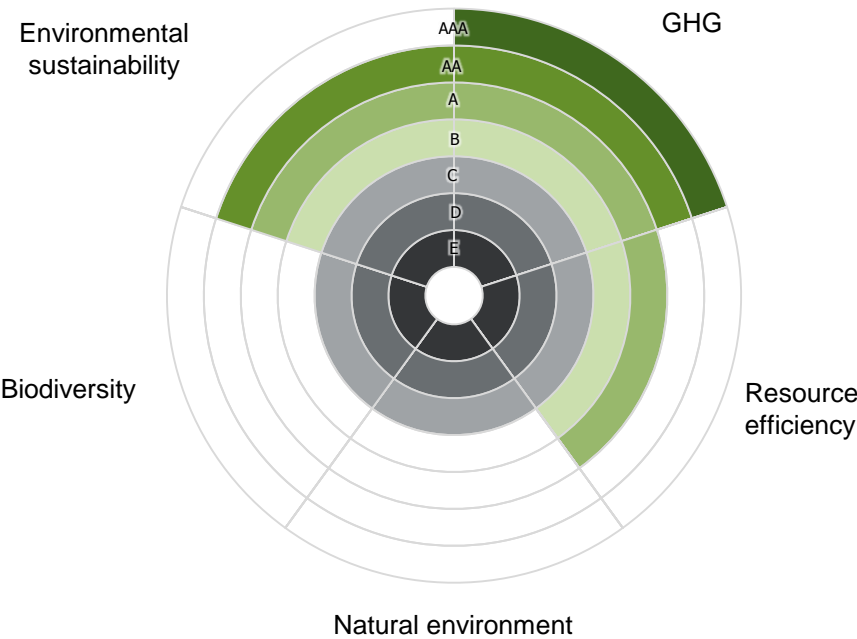


¹ For more information please see: <http://www.greeninvestmentgroup.com/green-impact/green-investment-handbook/>

Our Green Ratings systems is the first of a kind



The system allows transparent side-by-side comparison on green performance against each of our Green Purposes



And we are unique in our consideration of Green Risk

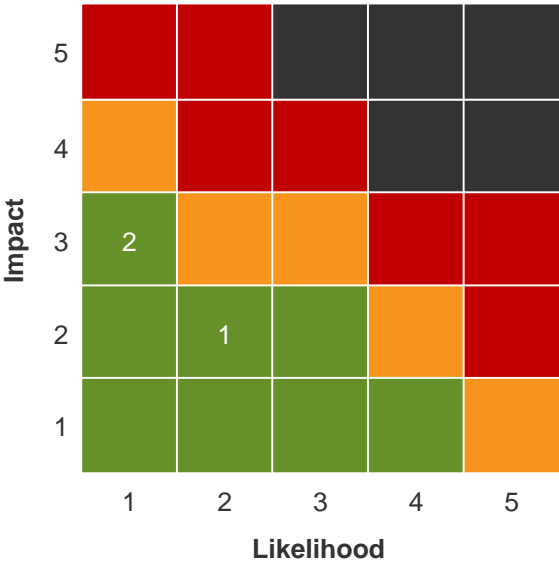


The risk of Green Impact forecast underperformance

#	Risk	Inherent Risk Ratings		Mitigant / Control (rationale for effect on likelihood and impact ratings)	Residual Risk Ratings		Actions / safeguards
		Likelihood (1-5)	Impact (1-5)		Likelihood (1-5)	Impact (1-5)	
1							
2							
3							

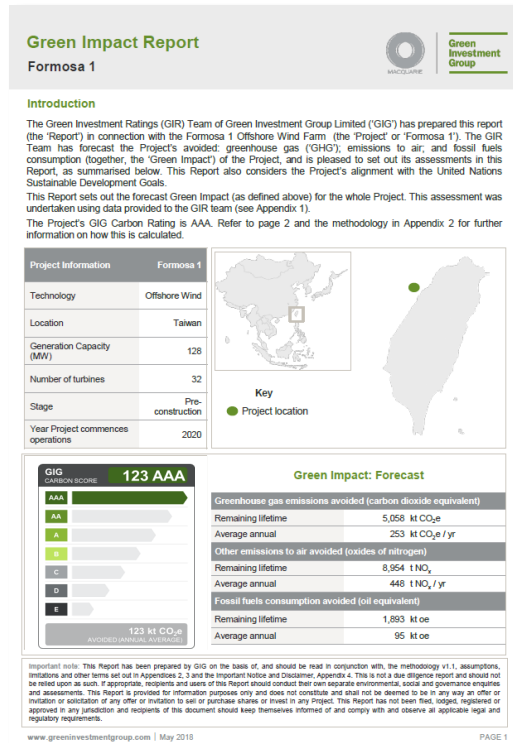
Example table and radar for Investment Committee

#	Green Risk	Current Mitigant / Control
1	Biomass feedstock not meeting GIB’s sustainability criteria	Robust DD on fuel procurement strategy Covenants to ensure maintain high standards of sustainability (e.g. carbon stock, country risk reporting)
2	Other material risks identified	Other Key Control / Safeguards

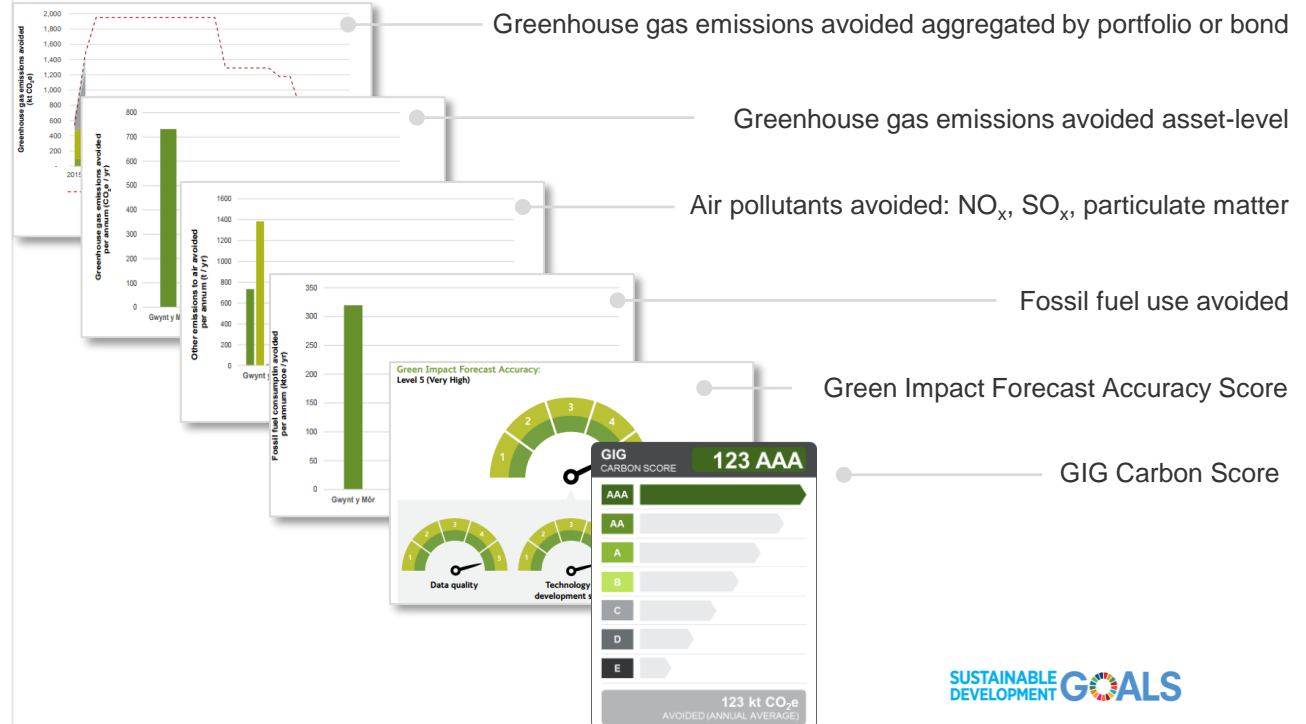


We developed the Green Impact Report¹

GIG's best practice, green measurement standard for public disclosure



Quantified, globally compared green data: at asset-level and aggregated



Tried-and-tested



GIG's green impact assessment methods have been used on **>£14bn** of green infrastructure since 2012²

- Actual and forecast green performance
- Aligned with harmonised global standard issued at COP21, Paris
- Contribution to UN Sustainable Development Goals
- Applicable to projects, funds and green bonds

¹ For report examples see <http://www.greeninvestmentgroup.com/green-impact/green-impact-reports/>

² £14bn is Green Investment Group's investments from inception in 2012 to December 2017