

Introducing 2 Degrees Investing



Introduction to 2 degrees Investing Initiative



Who are we ?

- **International think tank** created in 2012
- **3M€ budget** research grant / foundations & memberships
- **Collaborative approach** re-granting to +15 partners
- **Not-for-profit**, non commercial
- **Multi-stakeholder governance**



Regulatory work



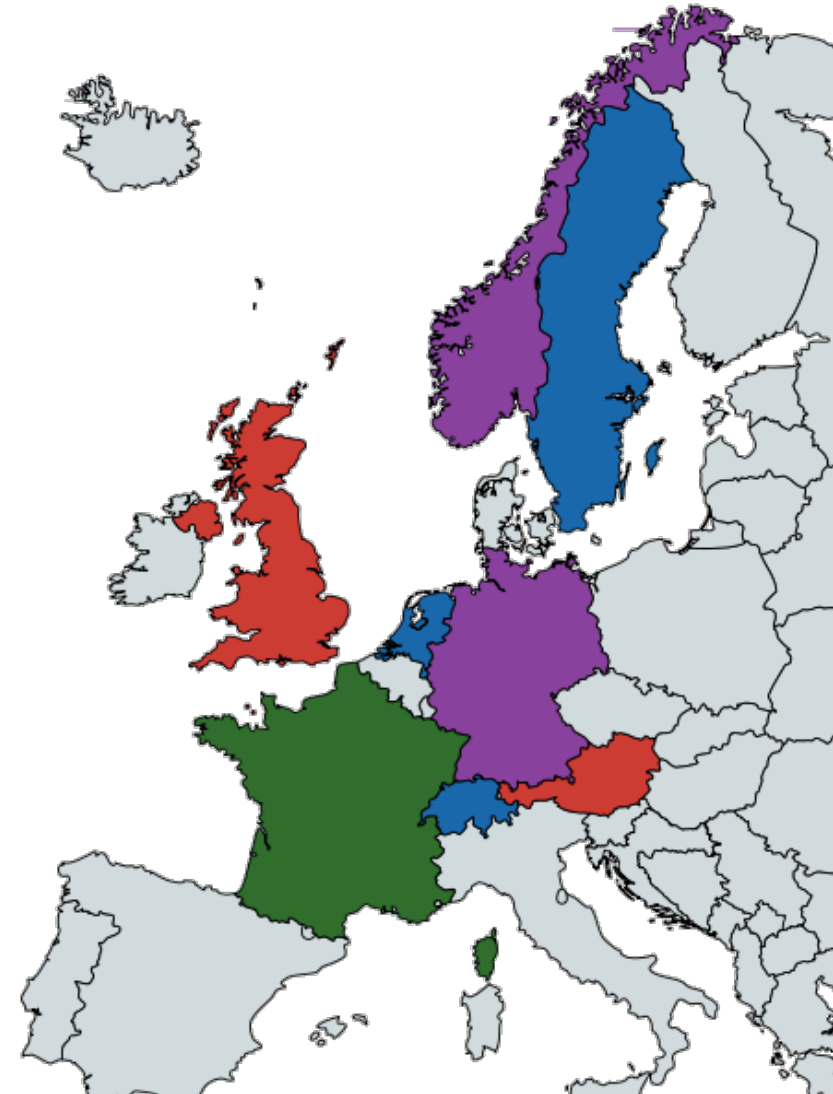
Policy and regulatory engagement

- National policy makers
- OECD
- G20
- Central Banks
- European policy makers
- US

Types of action

-  Research & exploratory action
-  Climate investment mandates
-  Planned regulatory initiatives
-  Regulation

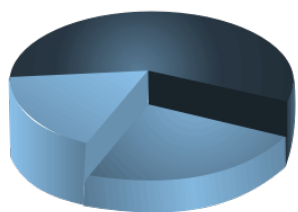
Source: 2° Investing Initiative



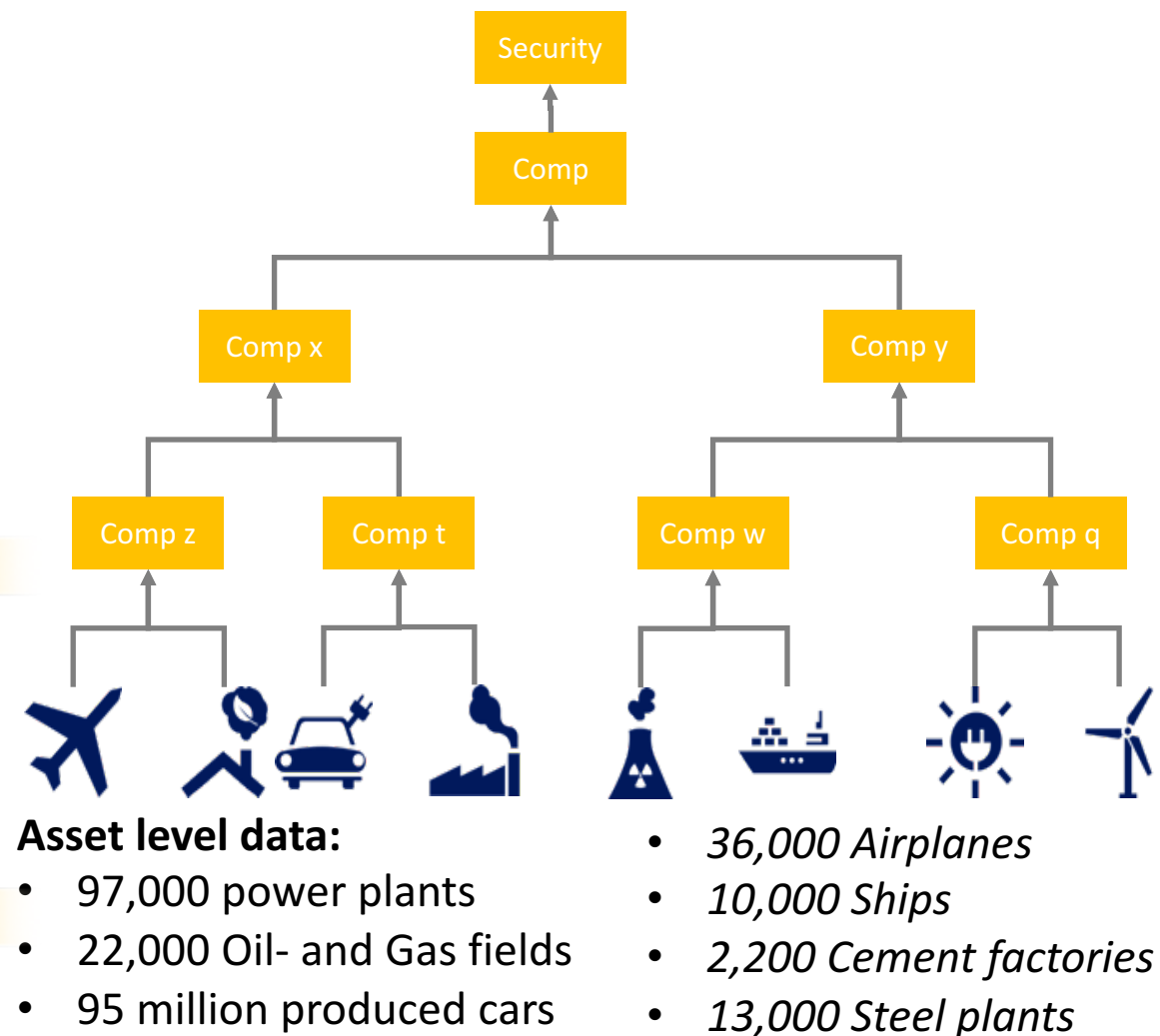
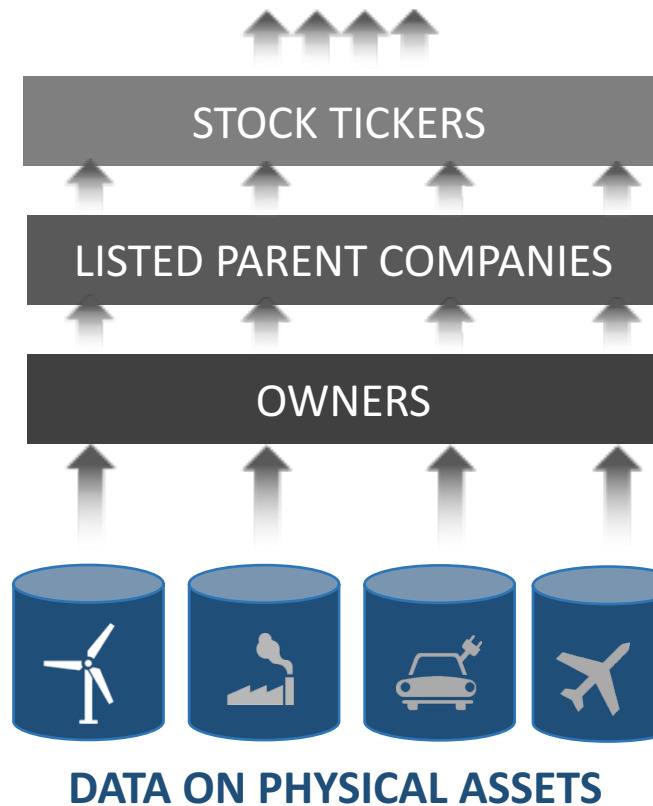
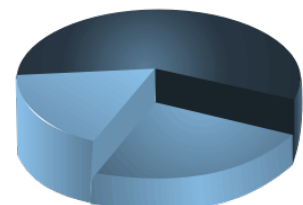
Alignment with Climate goals

LINKING REAL ASSETS TO FINANCIAL PORTFOLIOS

SCENARIOS



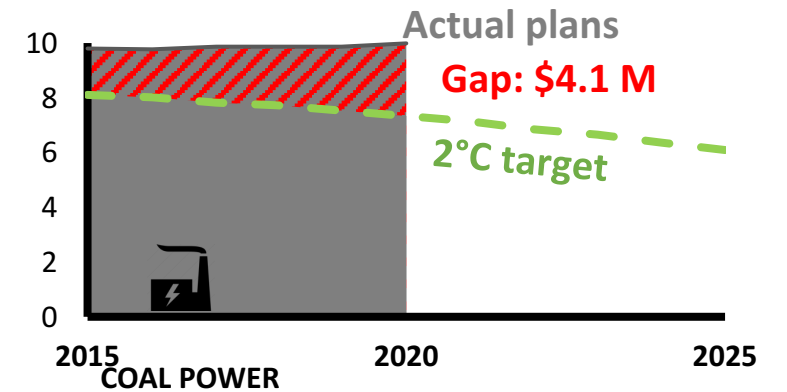
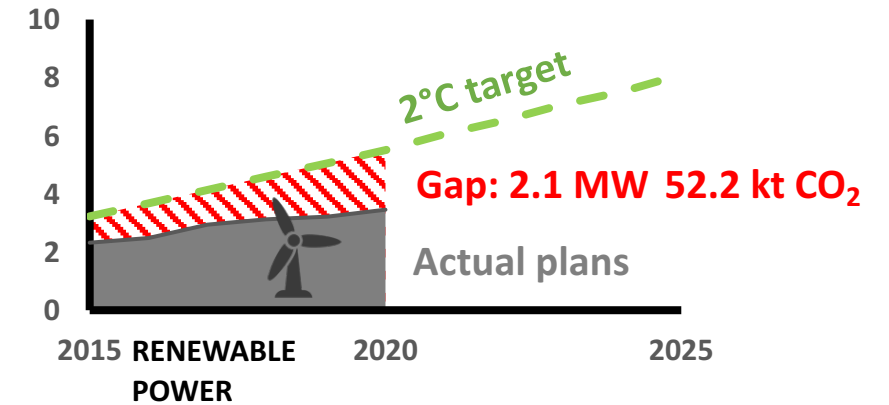
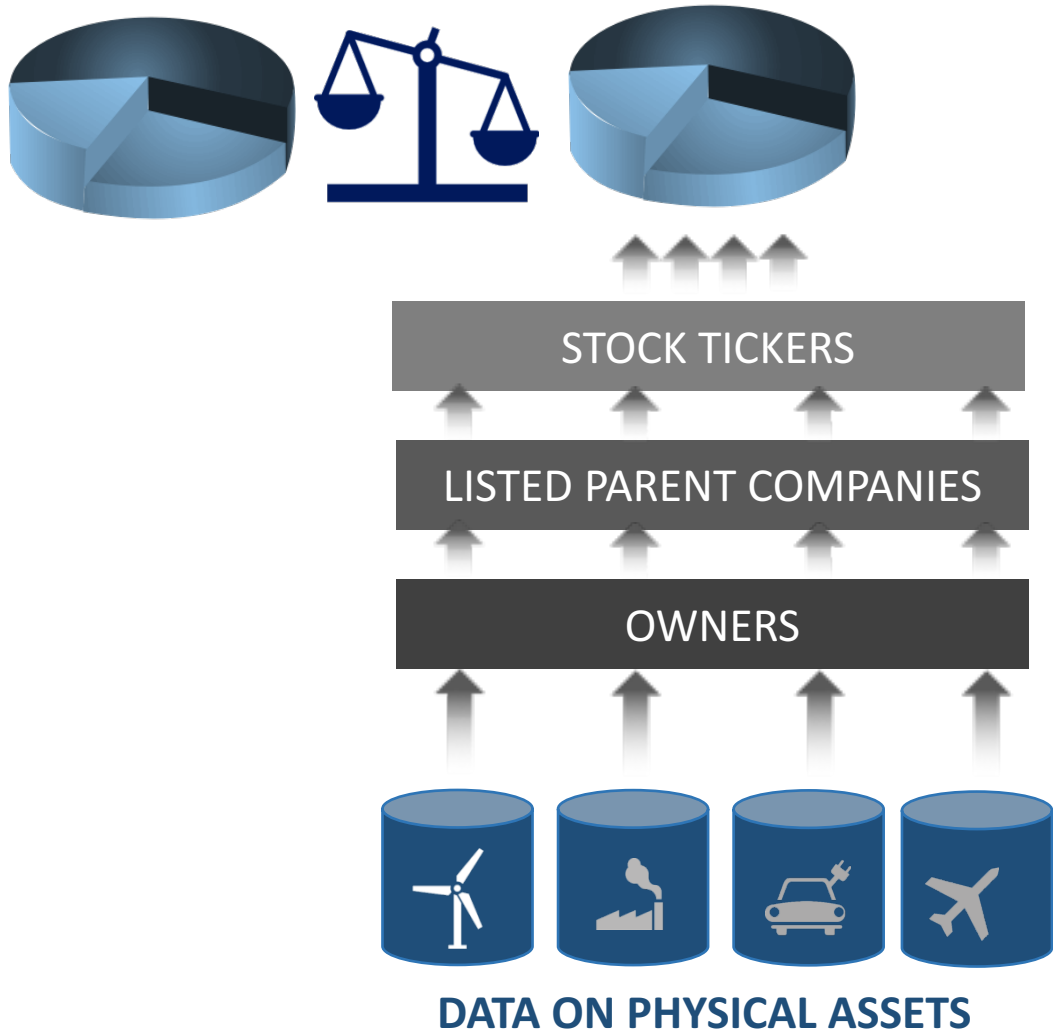
EQUITY PORTFOLIO



Alignment with Climate goals

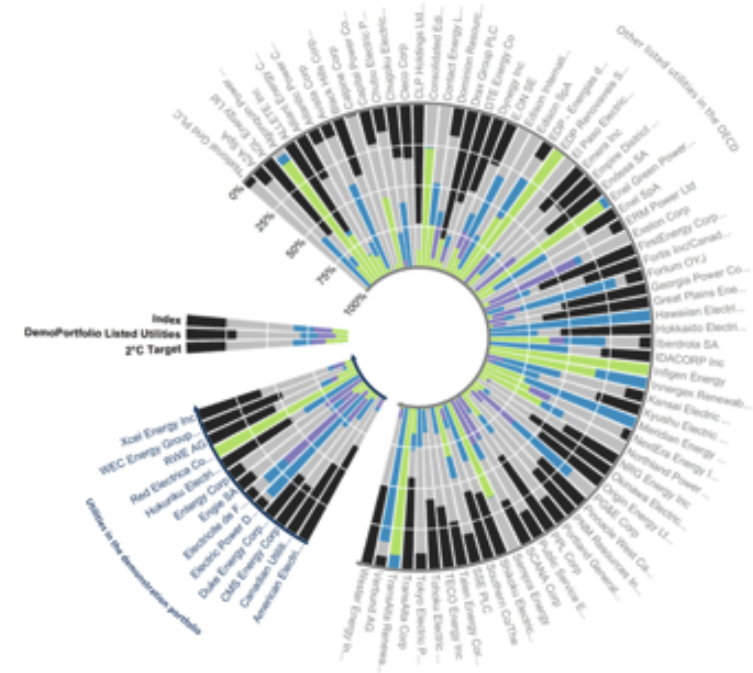
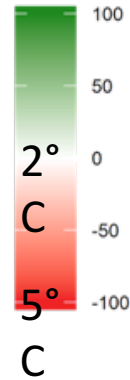
SCENARIOS

EQUITY PORTFOLIO

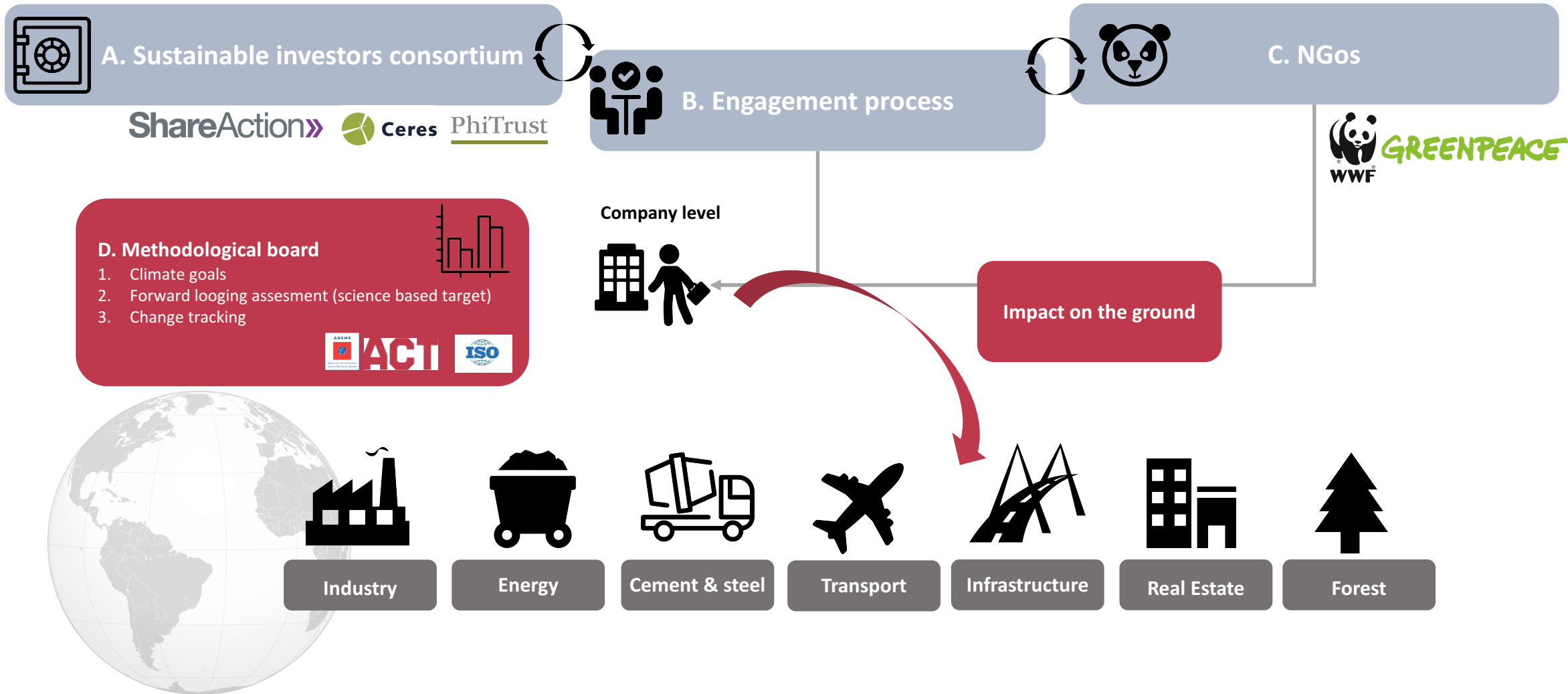


Technology exposures

| | Fossil Fuels | | | Automotive | | | Power | | | | | |
|-------------------|----------------|----------------|-----------------|---|-----------------|--------------|--------------------|----------------|------------------|--------------|--------------|---------------|
| | Gas Production | Oil Production | Coal Production | Electric Vehicles | Hybrid Vehicles | ICE Vehicles | Renewable Capacity | Hydro Capacity | Nuclear Capacity | Oil Capacity | Gas Capacity | Coal Capacity |
| Global | 16.5% | -26.1% | -100% | -94.7% | -85% | 5.9% | -19.2% | -58.1% | 189.2% | -39.3% | -32.1% | 15.4% |
| Global Aggregated | -70.3% | -79.7% | NaN | | | | -21.9% | -40.4% | 163.9% | -31.6% | -32.9% | 43% |
| OECD | -4.4% | -32.2% | -100% | | | | -23.1% | -39.1% | 163.9% | -34.5% | -33.4% | 41.2% |
| Non-OECD | -91.2% | -94.6% | -100% | No regional benchmark for automotive sector | | | -3.3% | -86.8% | -100% | -3.3% | -24.7% | 58.7% |
| U.S. | -30.9% | -67.1% | -100% | | | | 384.8% | -100% | 177.7% | -100% | -18.7% | -100% |
| EU28 | -70.6% | -34.3% | -100% | | | | -42.6% | -59.5% | 115% | -7.2% | -19.1% | 62.2% |

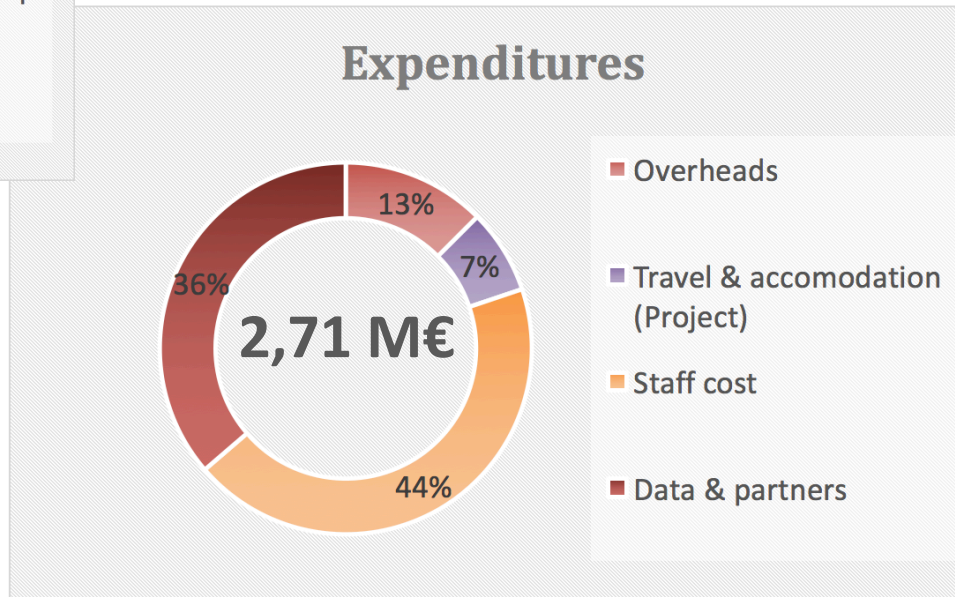
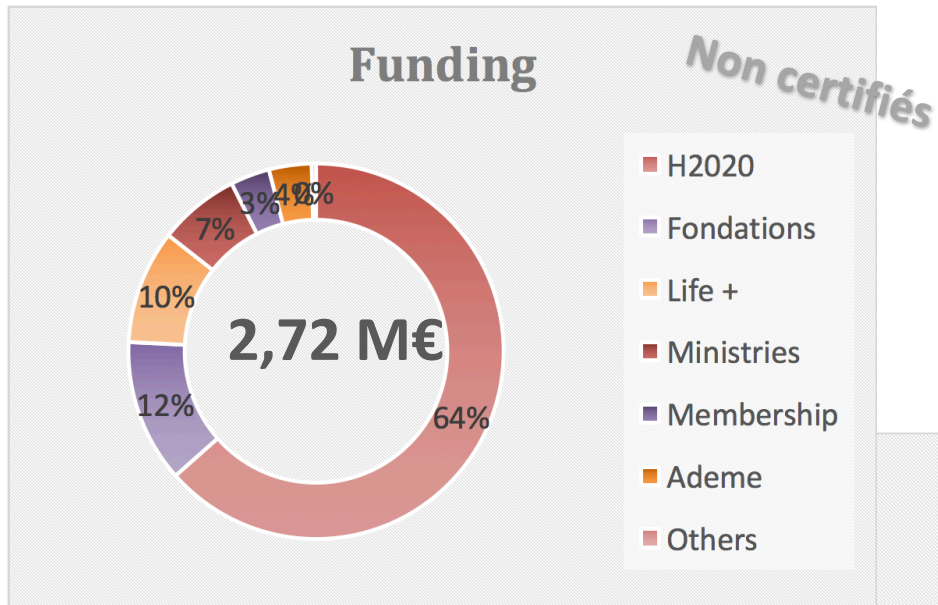


Integrated climate engagement tool

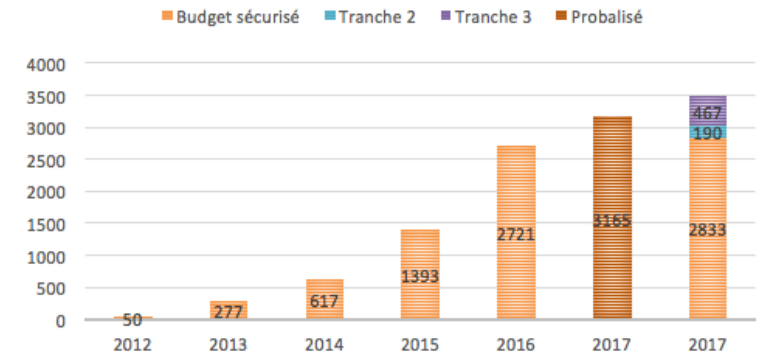


Annexes

Budget

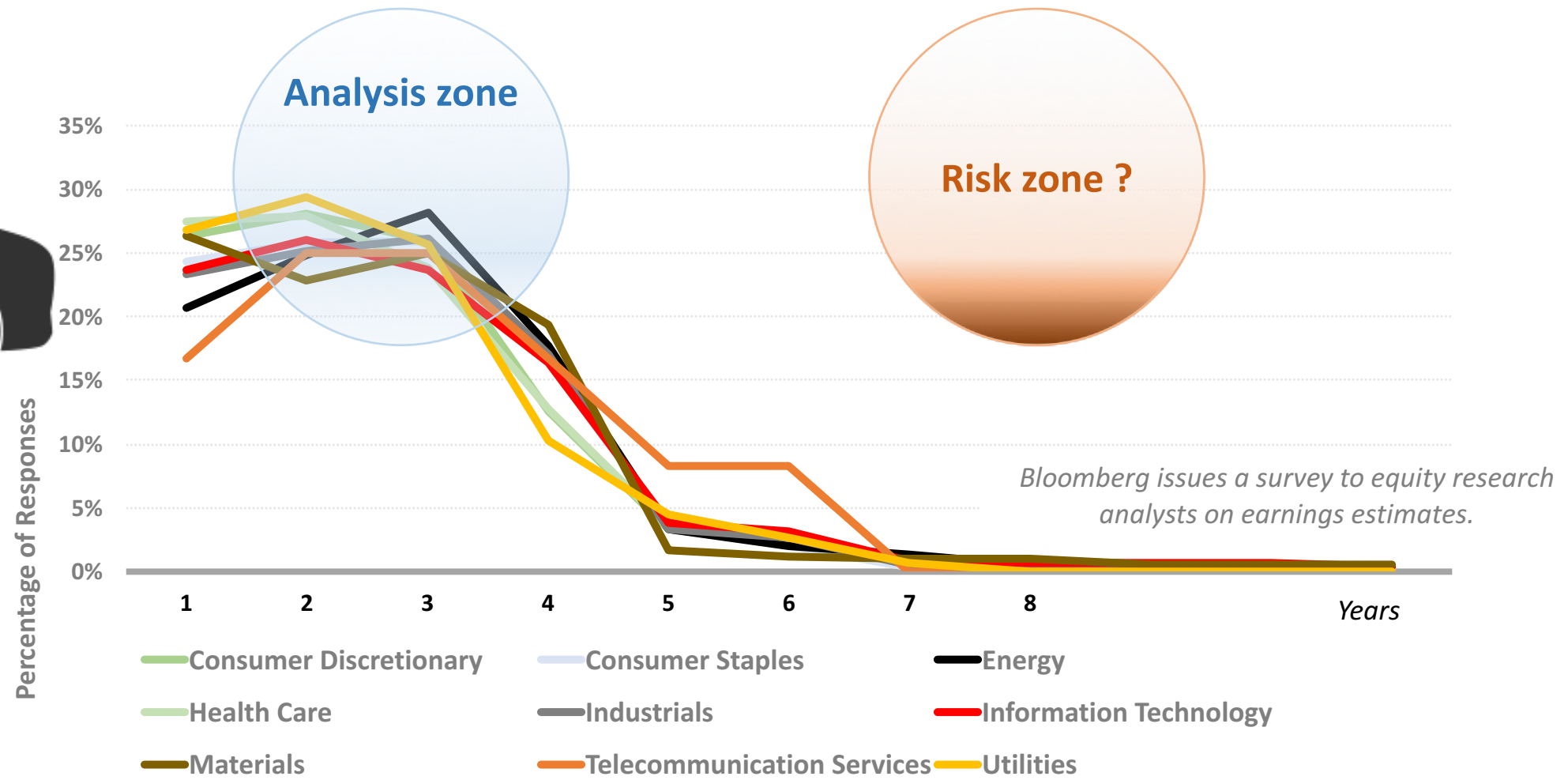
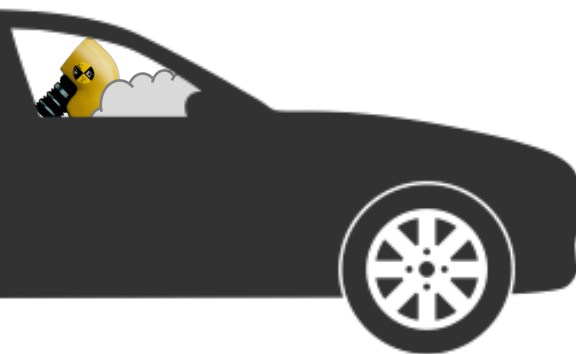


PROJECTION BUDGET 2017



LIMITS TO CLIMATE RISK ANALYSIS INTEGRATION

THE TIME HORIZON TRAGEDY



ENERGY TRANSITION RISKS

TAX ON FUELS



FUEL EFFICIENCY
STANDARD



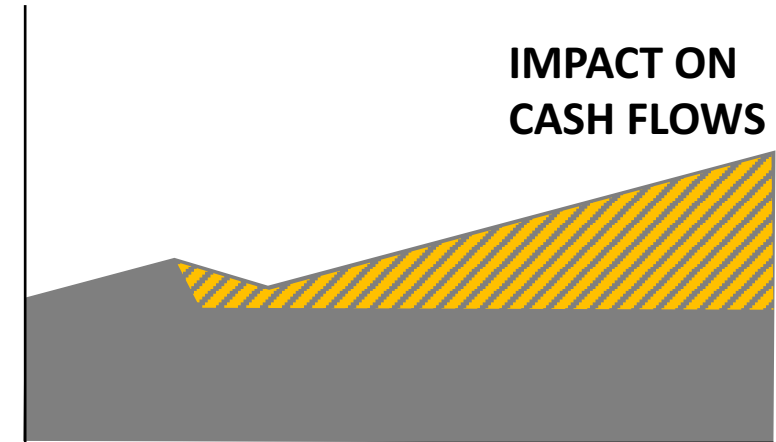
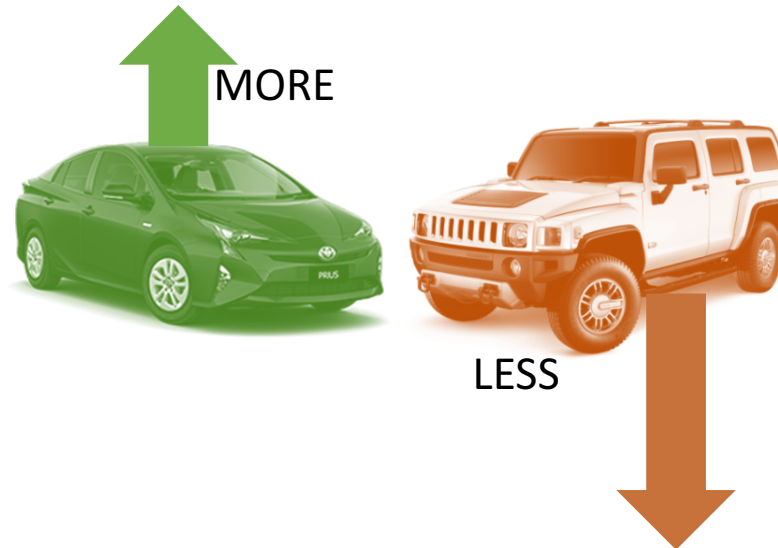
NEGOTIATED
AGREEMENT ON
FLEET EFFICIENCY



TAX ON VEHICLES



CONGESTION
CHARGES



PARAMETERS OF A
2D STRESS SCENARIO

OUTCOMES IN THE 2D ROADMAP

RESULTS FROM
THE 2D STRESS TEST