

PACTA

Future-proof investments – Climate Adaption

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About

2° Investing Initiative

- Think tank since 2012
- 3 areas of activity:
 - Research
 - Software & database development
 - Policy work
- Not for profit, non-commercial, publicly financed

Paris

Agreement

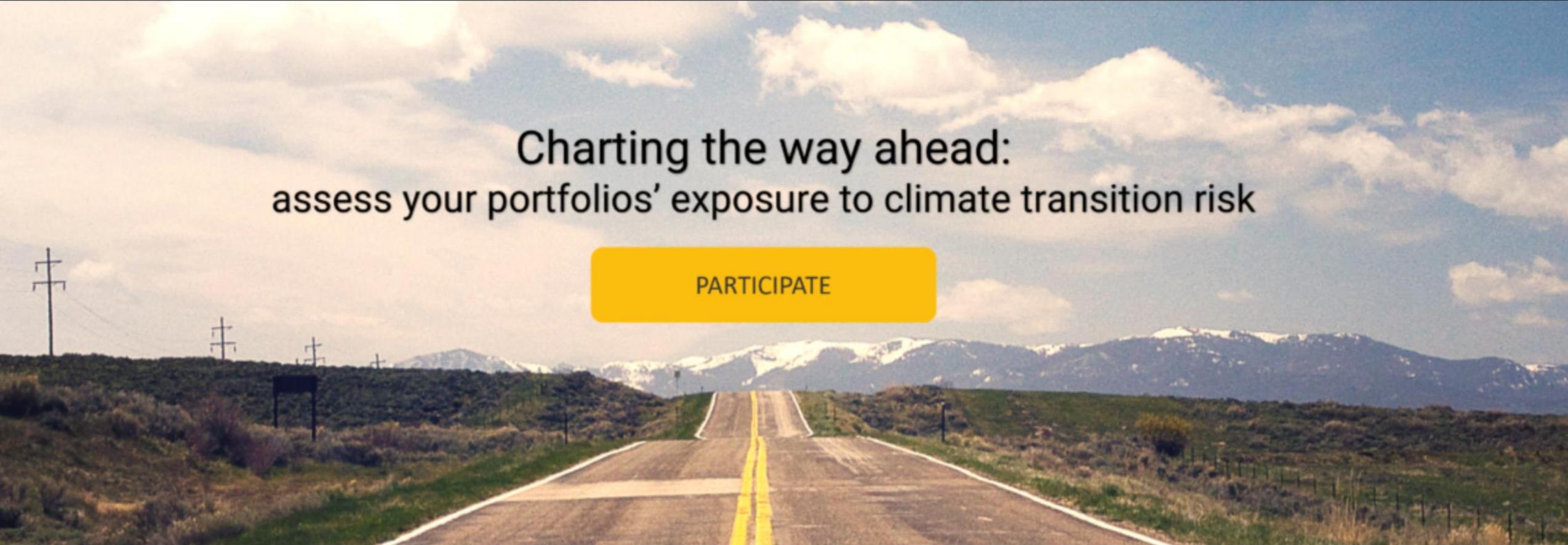
Capital

Transition

Assessment

PACTA

What it is &
what it is not



Charting the way ahead: assess your portfolios' exposure to climate transition risk

PARTICIPATE



www.TransitionMonitor.com

Data on physical asset & CAPEX / production plans

ASSET-LEVEL DATA AND CLIMATE-RELATED FINANCIAL ANALYSIS: A MARKET SURVEY



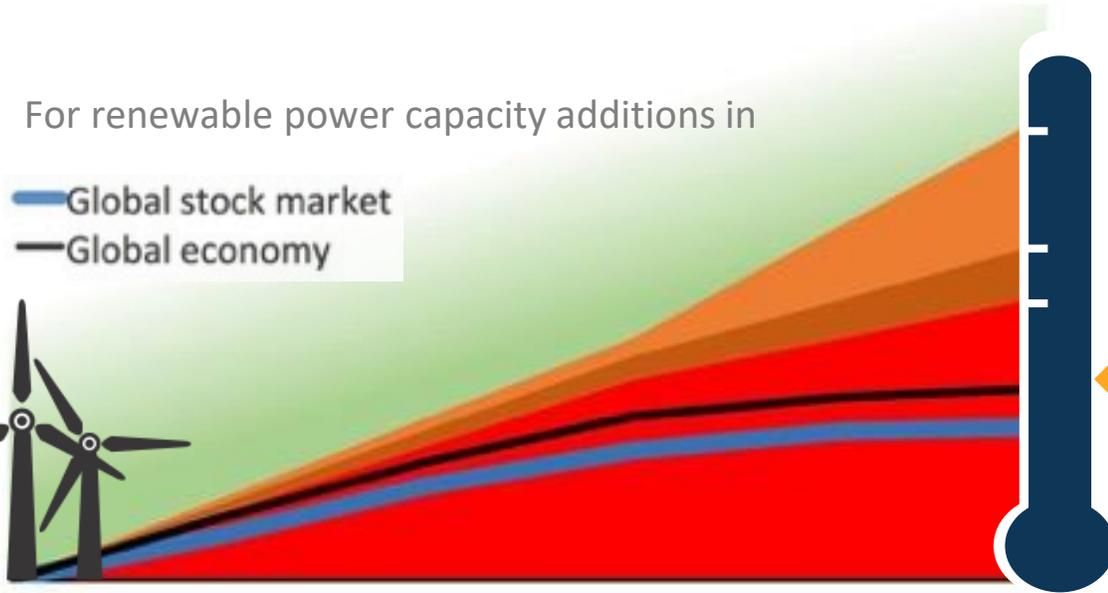
Compared with

For renewable power capacity additions in

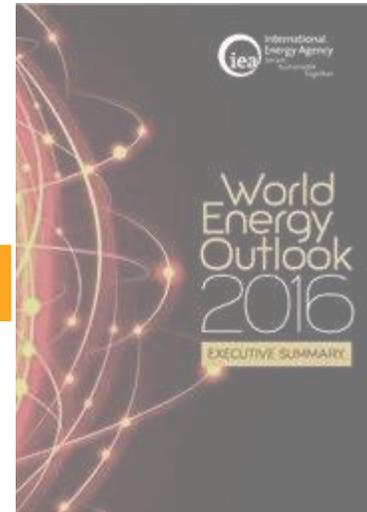
- Global stock market
- Global economy

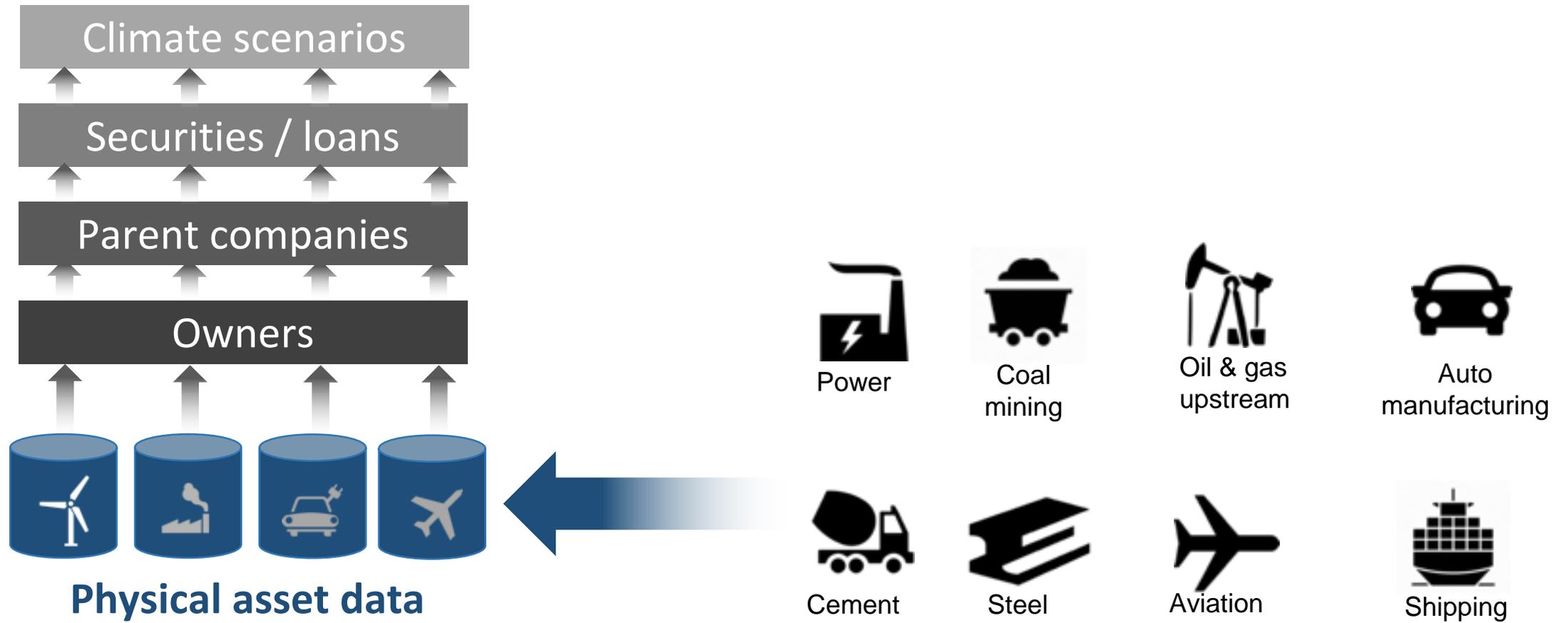


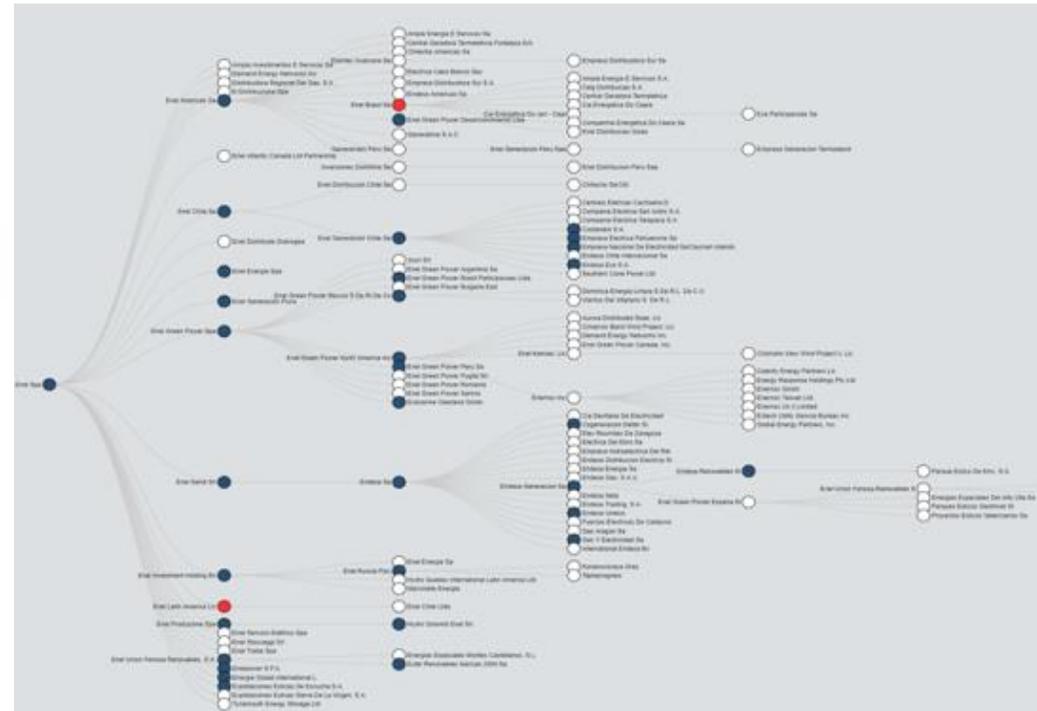
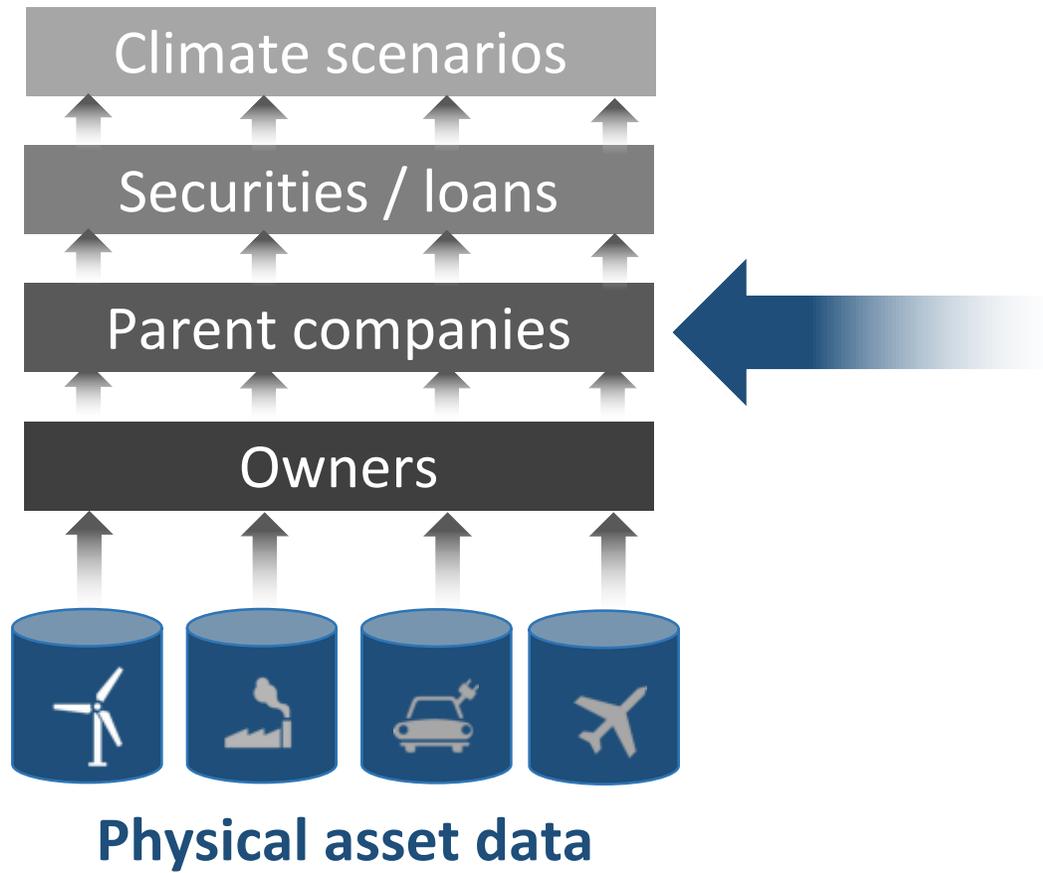
2017 2018 2019 2020 2021 2022

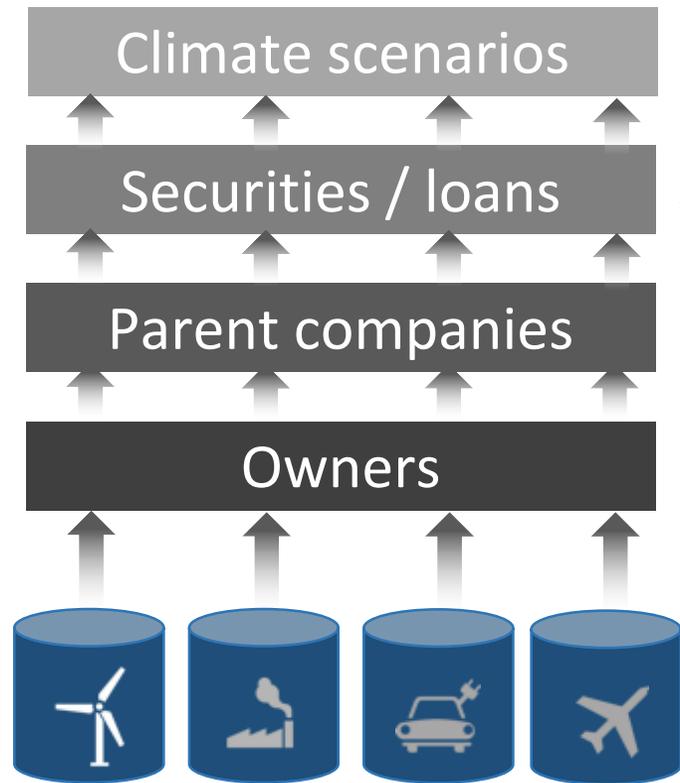


Technology roadmaps (aka climate scenarios)

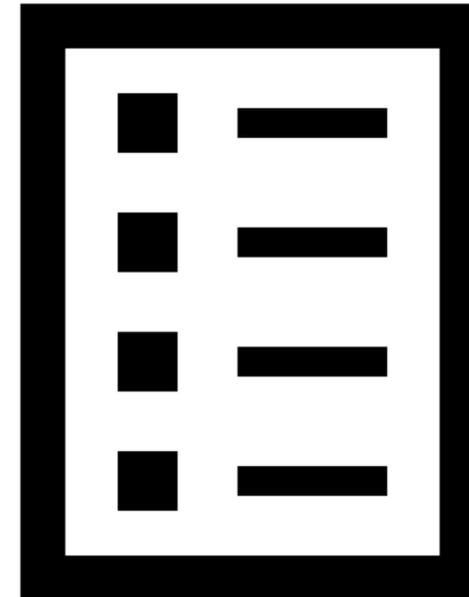




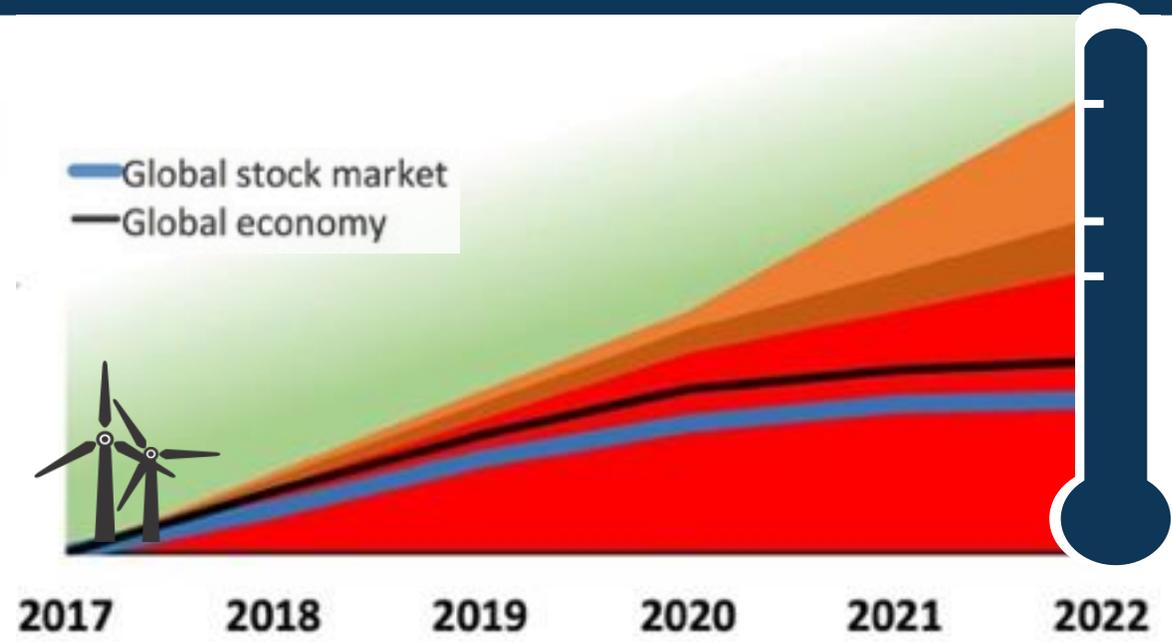
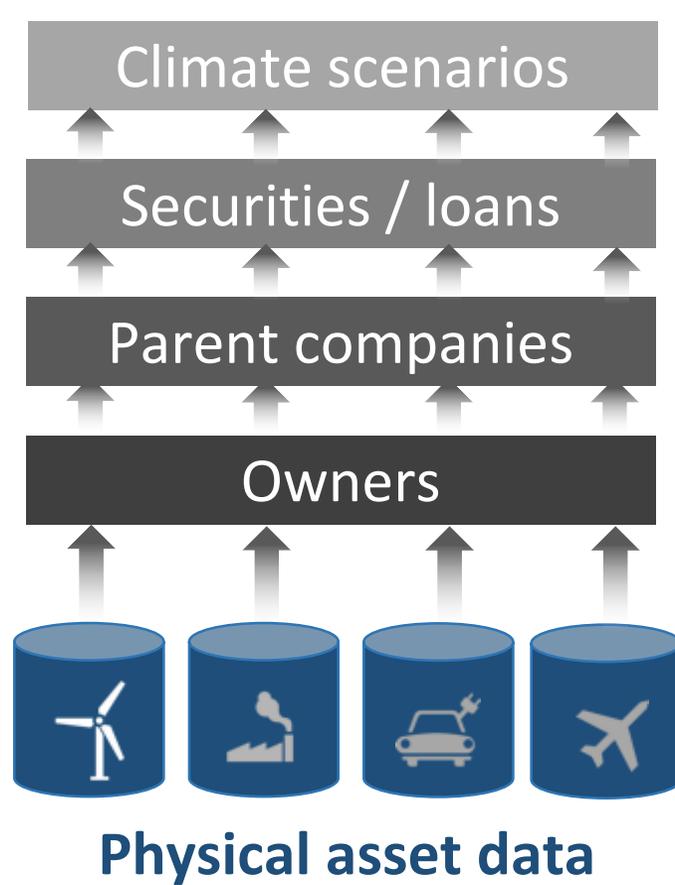




Physical asset data

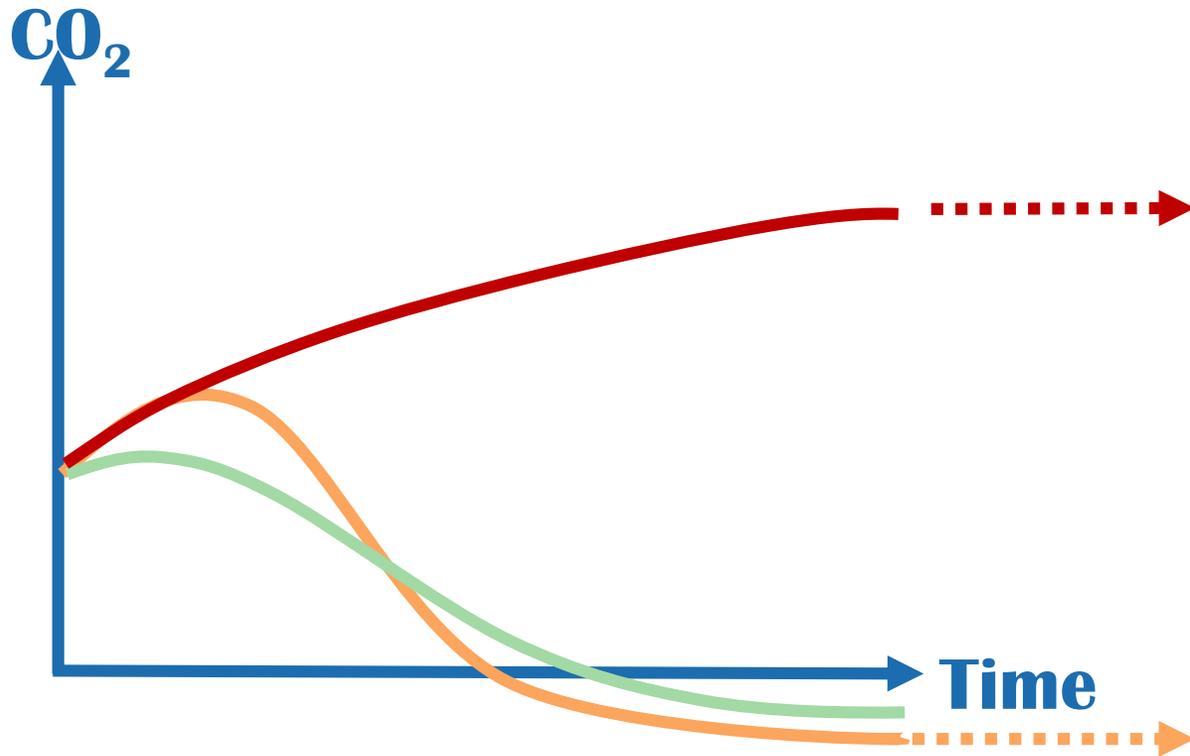


Match on ISINs to securities issued



Comparison with climate scenarios developed by the IEA, BNEF, Greenpeace

What's the use?



**High physical risk
unrecoverable
impact on GDP**



**High transition cost
&
potential market
stability risk**

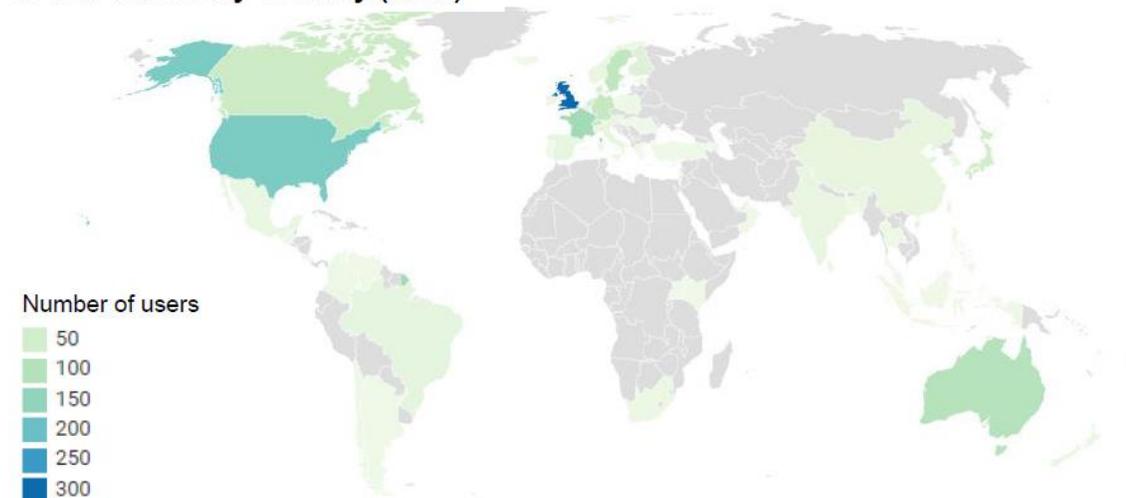
Limitations & Future developments

- Target setting and impact tracking
- Retail platform
- Stress testing

Success factors

- 1.700+ individuals from more than 1.000 institutions used the tool to conduct 6.700 tests
- Nearly 900 Financial Institutions used it to test \$ 61 trillion in total AuM
- Users from 69 countries

PACTA users by country (total)



- Non-commercial and open source
- Innovative approach
- Science based
- No simple answers