



SHADES OF REPORTING

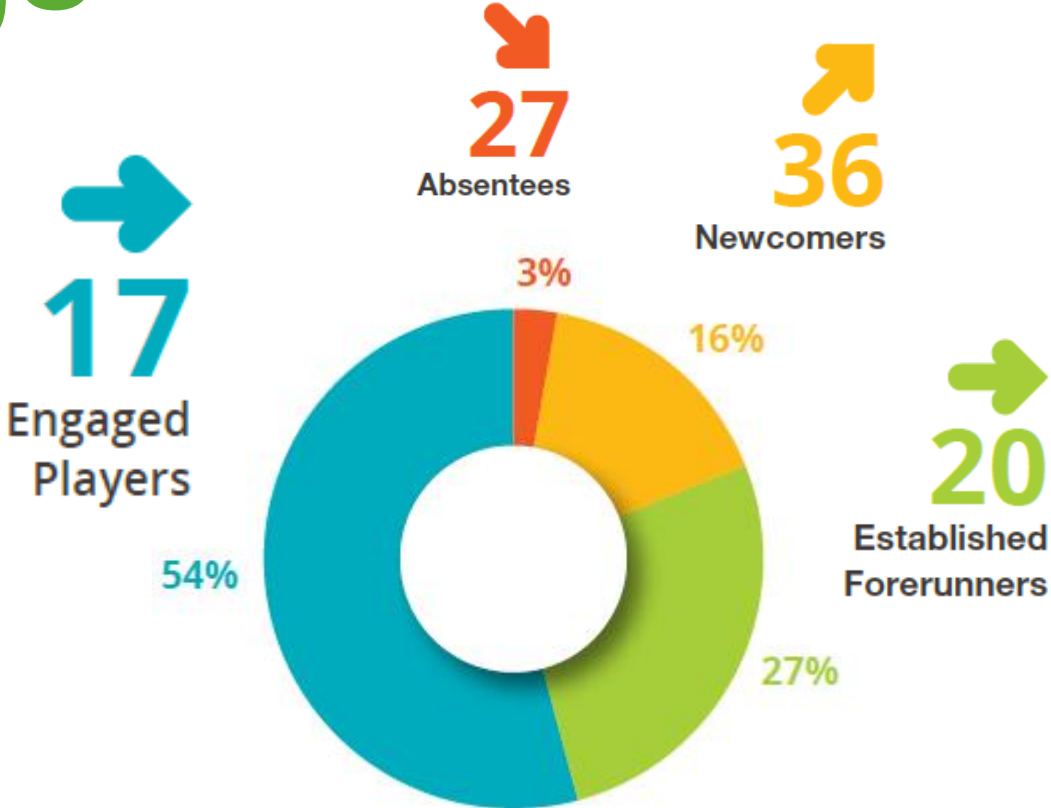
Season II

Climate and ESG reporting of French
institutional investors

Panel of asset owners



Classification of investors' reportings



Breakdown by assets size



Climate risks management



Coal divestment policies

- 26 investors committed
- 70% of equity and corporate credit assets covered



Climate-related exclusion policies as of Dec. 31, 2017	Mentions	Corresponding portfolios (€ bn)
Systematic divestment	11	554
Case-by-case divestment	7	64
Solely for new investments	2	69
Planned for 2018	6	89

High carbon emissions exclusions

- 3 investors exclude non conventional oil&gas producers, as part as a broader corporate policy



- 3 investors apply case by case divestment on the biggest CO2 emitters lagging on energy transition

1.07% of Green assets (€ 21,1 bn)



Green bonds

€ 11,7 bn



Renewable energies fundings

6,5 Mds€



Other green assets

Green private equity (cleantech)	5	0,9
Listed green equity funds	8	1,3
Sustainable forestry assets	3	0,4
Other	4	0,3
Green investments total	43	21,1

73 shades of real estate



**Certified sustainable
real estate**

€ 36,5 bn



BREEAM®



Climate risk analysis

Climate analysis	Volume of corresponding assets (€ bn)	Number of investors	% of total assets			Volume of corresponding assets (€ bn)	Number of investors
Carbon footprint	1380	60	58%	including	<i>Up to scope 3</i>	675	21
Analysis of portfolio climate scenarios	459	24	19%	including	<i>Carbo-intensive sectors exclusively (technological exposition)</i>	58	11

Physical vs transition risks: few quantitative data

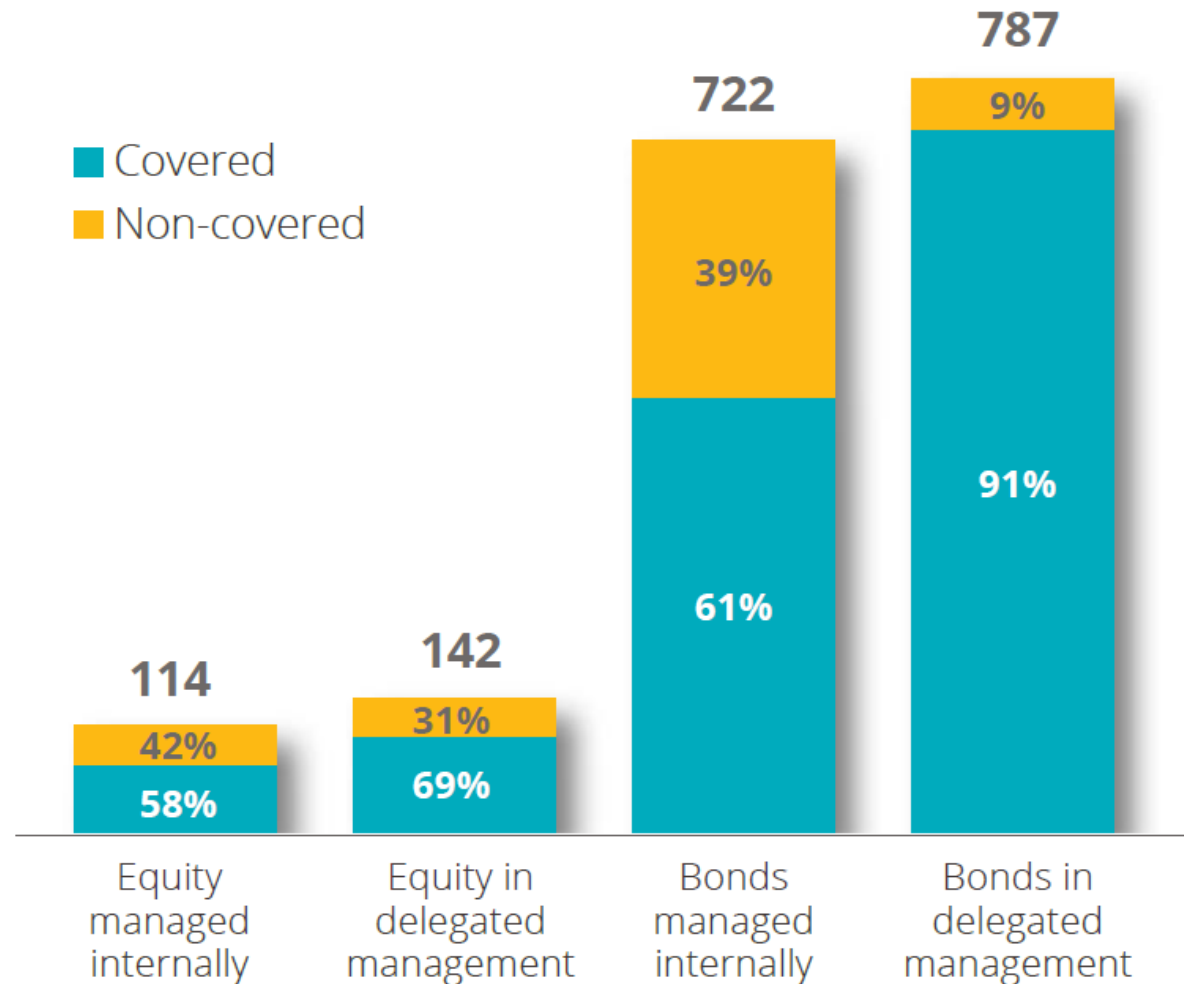
Climate analysis		Volume of corresponding assets (€ bn)	Number of investors	% of total assets
Analysis of issuers' climate risks	Transition risks	514	28	22%
	Physical risks	382	28	16%
Quantification of the financial impact (losses or gains) of these climate risks	Transition risks	151	4	6%
	Physical risks	121	6	5%



ESG policies



ESG research broadly available



Source: Novethic

ESG integration, a massive confusion

ESG selection approach*	Volume (€ bn)	Number of investors
ESG Screening	491	27
including best-in-class	420	22
Case-by-case ESG integration	674	27
Structured ESG integration	289	12
Norm-based exclusion	1262	32

Source: Novethic

ESG exclusions: tobacco becomes a no go zone



Exclusion policies as of Dec. 31, 2017		Mentions	Perimeter (€)
Norm-based exclusion		32	1262 bn
Sector-based exclusion	Tobacco	30	1016 bn
	Gambling	9	93 bn
	Weapons (beyond controversial weapons)	4	12 bn
	Pornography	5	11 bn
	Other (alcohol, palm oil...)	11	3 bn

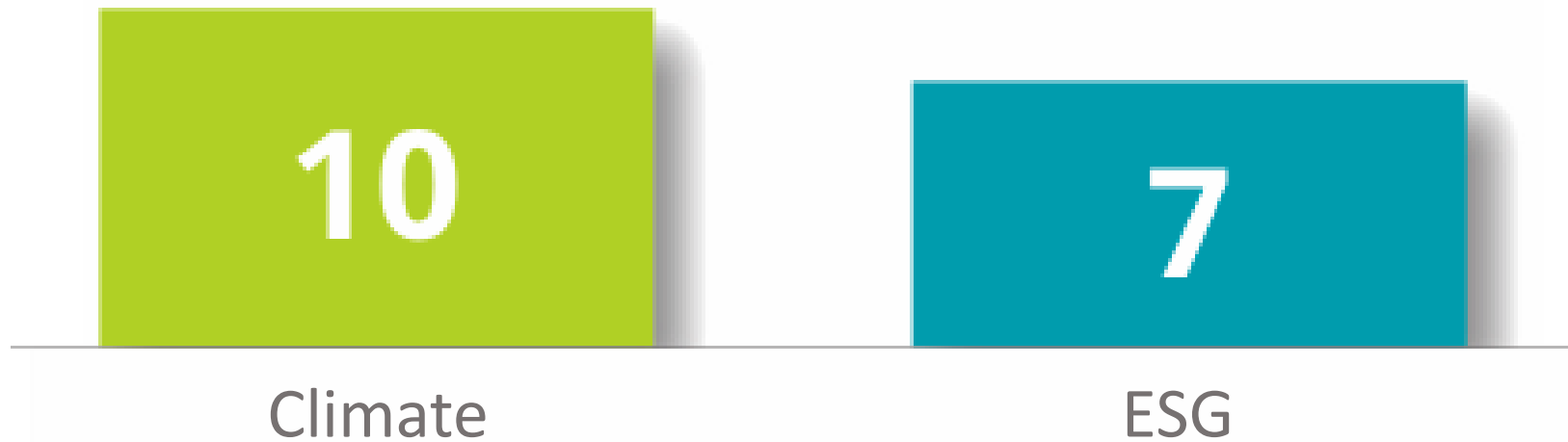
Source: Novethic

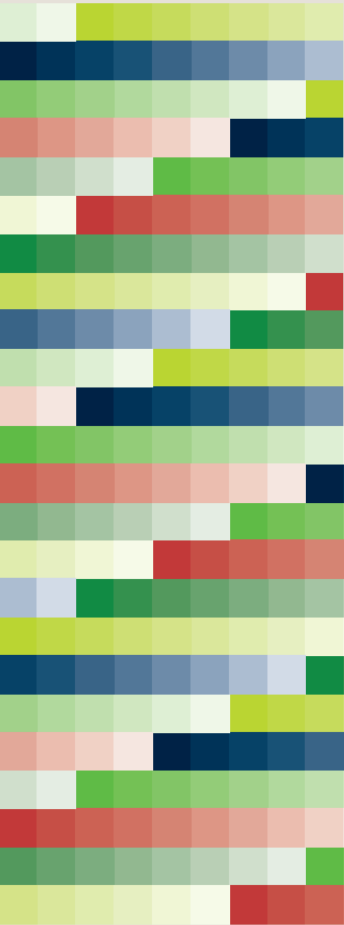

In search of impact?

	Number of investors	Volume of corresponding assets (€M)	% of total assets
Social-themed equity funds	3	519	0,02%
Impact funds or related to the social economy (e.g. solidarity funds, investment in local SMEs...)	13	1482	0,07%

Source: Novethic

Collaborative engagement gains ground







173 SHADES OF REPORTING

Focus on French Institutional Investors

Analysis of the reports published in response to article 173-VI of the French Law on Energy Transition and Green Growth. A study conducted by Novethic's research center

November 2017



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2018

