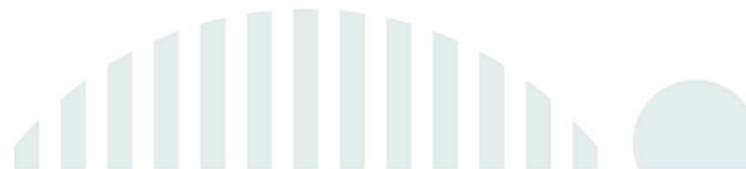




**Nachhaltiges Investieren
im Jahr 2020**

25 February 2020



ISS-ESG.COM

Ein extremes 2019...



Weltweit erlebte 2019 den wärmsten Juni seit Beginn der Wetteraufzeichnungen



Australien:
2019 sah wärmsten Januar seit Beginn der Messungen



USA :
Januar 2019 sah Kältekrekord von
- 60° Celsius in Minnesota

...Das „New Normal“

Rang	Jahr	Anomalie °C
1	2016	0.94
2	2019	0.93
3	2015	0.90
4	2017	0.84
5	2018	0.77
6	2014	0.74
7	2010	0.70
8	2013	0.66
9	2005	0.65
10	2009	0.64

2020 erlebte global der wärmsten Januar seit Beginn der Wetteraufzeichnungen

Source: US National Oceanic and Atmospheric Administration, 2020 (data since 1880)

Paris: Reduzierung von Investment Emissionen

197

Parteien **unterzeichneten**
das Abkommen

187

Parteien **ratifizierten**
das Abkommen

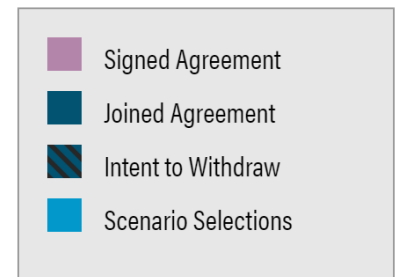
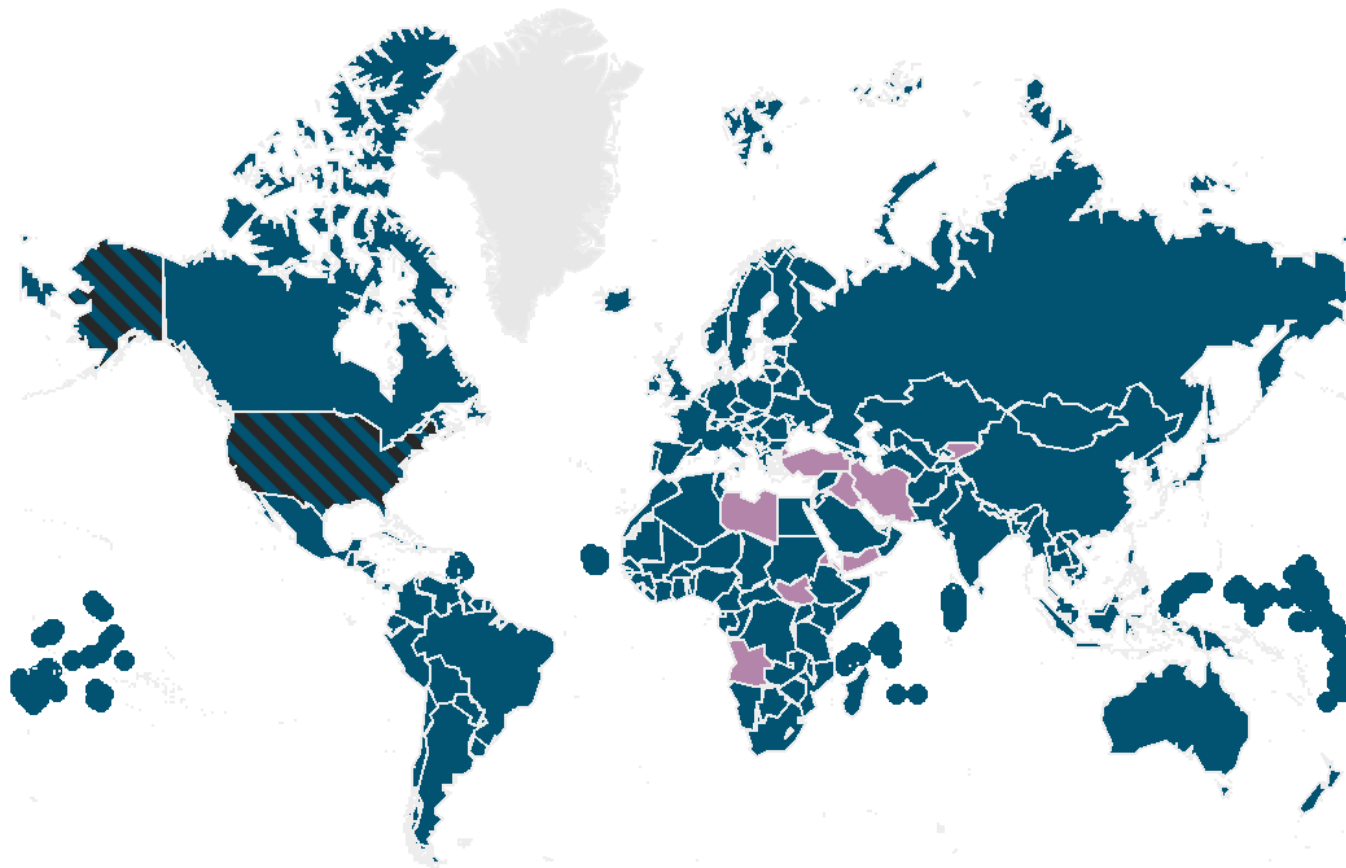
96.9%

globaler Treibhausgase sind erfasst

Paris Agreement

Article 2.1.c:

‘Making **finance flows consistent** with a pathway towards **low greenhouse gas emissions** and climate-resilient development’



Source: World Resource Institute, 2019

ESG

4

Selbstverpflichtungen von Investoren allerorten

Fundamental Reshaping of Finance

Dear CEO,

BlackRock.

As an asset manager, BlackRock invests on behalf of others, and I am writing to you as an advisor and fiduciary to these clients. The money we manage is not our own. It belongs to people in dozens of countries trying to finance long-term goals like retirement. And we have a deep responsibility to these institutions and individuals – who are shareholders in your company and thousands of others – to promote long-term value.

Climate change has become a defining factor in companies' long-term prospects. Last September, when millions of people took to the streets to demand action on climate change, many of them emphasized the significant and lasting impact that it will have on economic growth and prosperity – a risk that markets to date have been slower to reflect. **But awareness is rapidly changing, and I believe we are on the edge of a fundamental reshaping of finance.**

The evidence on climate risk is compelling investors to reassess core assumptions about modern finance. Research from a wide range of organizations – including the UN's

Letter from Blackrock's CEO and Chairman Larry Fink, 14 January 2020

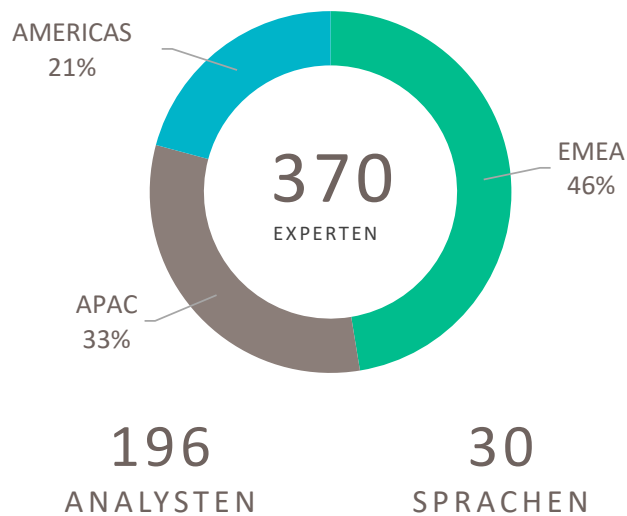


Axa, Aviva, CNP, FRR join asset owner alliance pushing for net-zero 2050 portfolios

Bold 1.5°C target goes beyond level of ambition reflected in 2015 Paris Agreement

Press release from 29. November 2019

ESG Mitarbeiter*



27 JAHRE ESG EXPERTISE

KUNDEN

2'000+

Asset Owner & Manager für
ESG & Proxy Voting

KLIMA

€ 4 Billionen+

Investitionen auf Klimarisiken
untersucht

2020: Das Ende von 5 beliebten ESG Mythen?

ESG ist ein kurzlebiger Trend für ein paar Ökos & Hippies, die subjektive Daten minderer Qualität nutzen, um für ein gutes Gefühl auf Rendite zu verzichten

- Tree huggers: ESG ist für die Nische
- Mode: ESG ist ein Trend, der wieder verschwinden wird
- Komplex: ESG ist kompliziert und subjektiv
- Keine Daten: Es gibt zu wenig Daten, die Qualität ist schlecht
- Teuer: ESG ist teuer und kostet Rendite

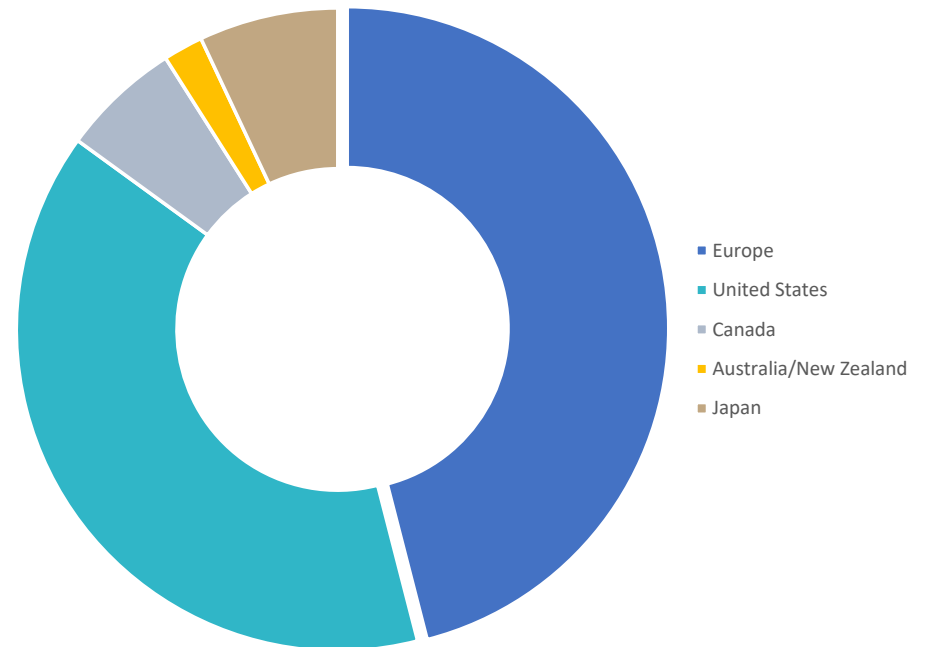
Mythos 1: ESG ist für die Nische



ESG MARKT

ESG Kapitalanlagen wachsen zweistellig, stehen bei USD 30.7 Billionen

Europa (\$14T)	+11%
United States (\$12T)	+38%
Japan (\$2T)	+307%
Kanada (\$2T)	+42%
Australien/NZ (\$786B)	+46%



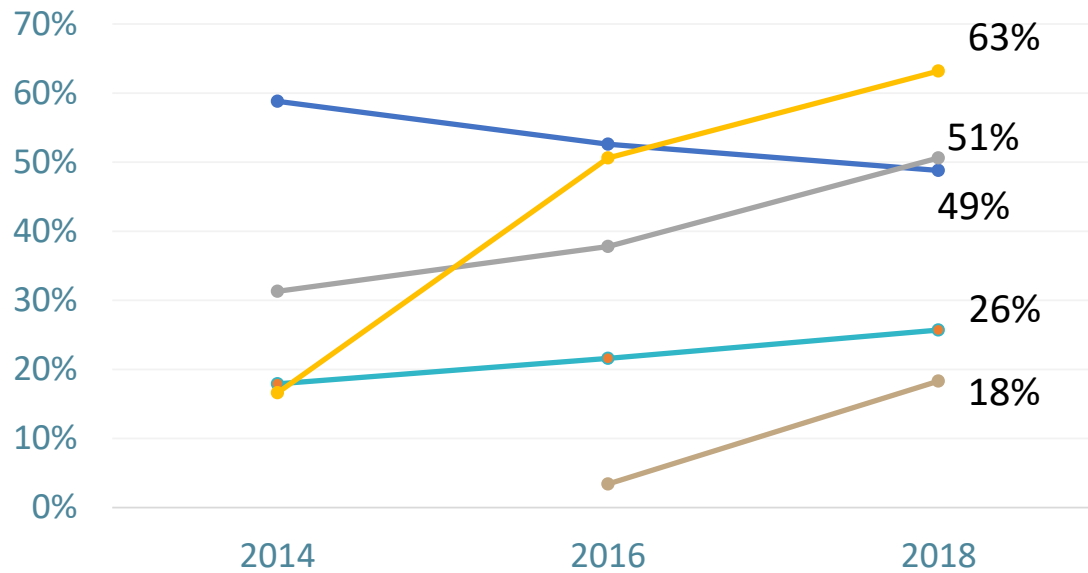
■ Europe ■ United States ■ Canada ■ Japan ■ Australia/New Zealand

Source: Global Sustainable Investment Alliance (GSIA), 2018 Global Sustainable Investment Review

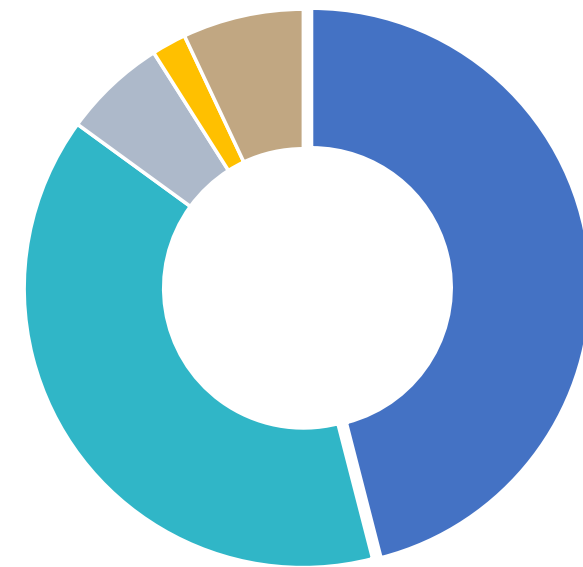
ESG MARKT

ESG Kapitalanlagen relativ zu allen Kapitalanlagen im Wachstum

Proportion von nachhaltig verwalteten Anlagen gegenüber allen Kapitalanlagen



Global nachhaltig verwaltete Anlagen nach Region



■ Europe

■ United States

■ Canada

■ Japan

■ Australia/New Zealand

Source: Global Sustainable Investment Alliance (GSIA), 2018 Global Sustainable Investment Review

Mythos 1: ESG ist für die Nische

ESG AuM ist weltweit zu über USD 30 Billionen angewachsen

Mythos 2: ESG ist ein Trend der wieder
verschwinden wird

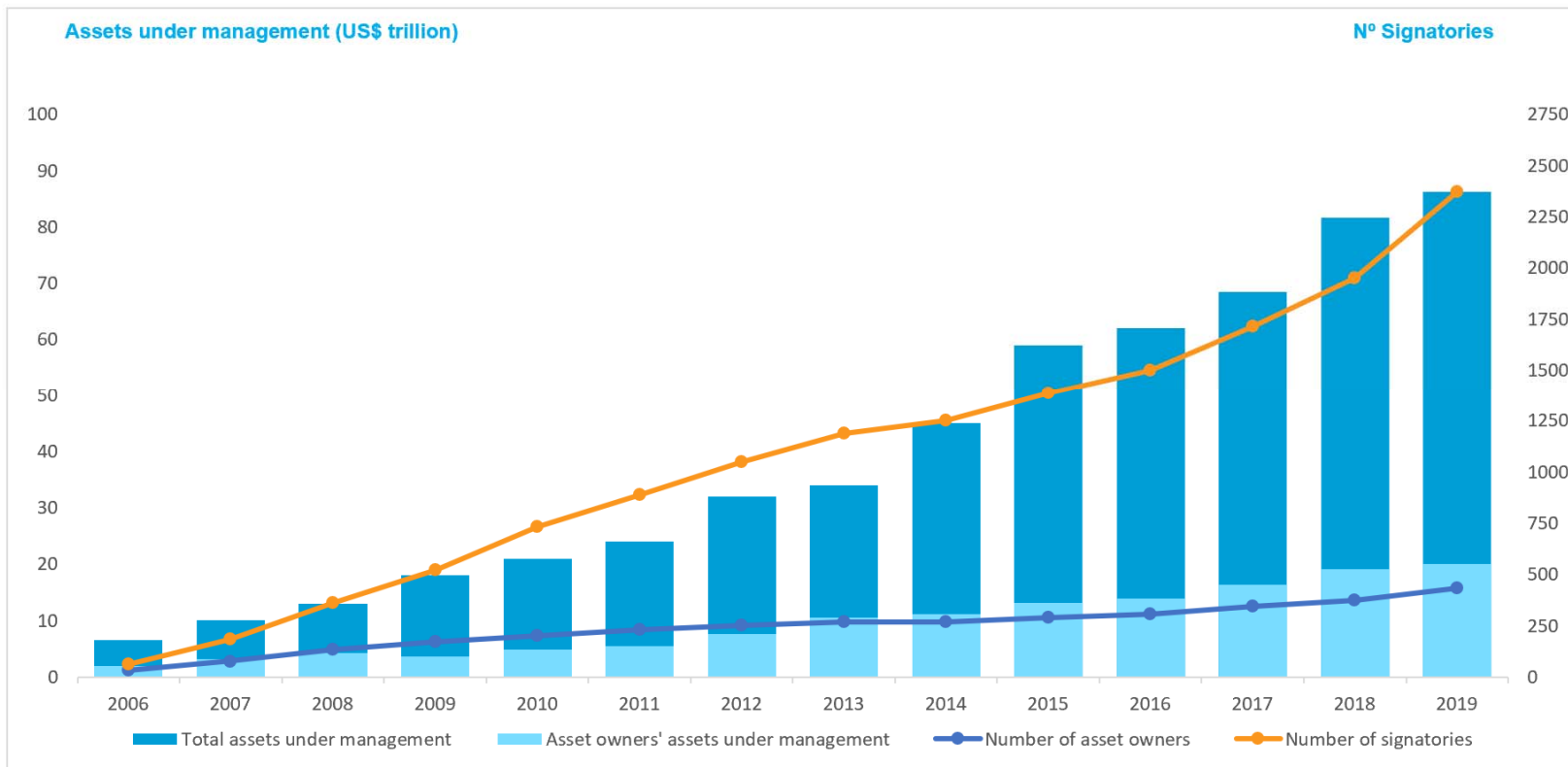


Location	Initiative	Description	Owner	Requirement	Status	Pre / Post-Paris
Global	Task force on Climate-related Financial Disclosure (TCFD)	The TCFD have developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors and other stakeholders.	Self governance	Voluntary	In place	Post
	Portfolio Decarbonization Coalition (PDC)	Coalition of investors committing to decarbonizing their investment portfolios	Self governance	Voluntary	In place	Pre
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China	Carbon emissions data mandated by 2020 for listed companies in China	Seven government agencies have collectively issued guidelines stating China’s intention to develop a ‘green financial system’. The roadmap will have three stages, finishing in 2020 whereby all listed companies will be required to disclose .	Regulator	Mandatory	Expected	Post
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China	Carbon emissions data mandated by 2020 for listed companies in China	Seven government agencies have collectively issued guidelines stating 'China's financial system'. The roadmap will have three stages, finishing in 2020. The first stage requires listed companies to disclose carbon emissions data.				Post
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The screenshot shows the PRI (Principles for Responsible Investment) website. At the top, there is a navigation bar with links for 'ASSET OWNERS', 'INVESTOR TOOLS', 'ESG ISSUES', 'SUSTAINABLE MARKETS', 'SDGS', and 'MORE'. Below the navigation bar, there is a section for 'HOT TOPICS' with links for 'Credit ratings', 'Climate change', 'Human rights', 'Cyber security', 'Tax avoidance', 'Fiduciary duty', 'Choosing managers', and 'Reporting'. The main content area features a large blue headline: 'TCFD-based reporting to become mandatory for PRI signatories in 2020', with a sub-headline 'NEWS AND PRESS' and a date '18 February 2019'. A search bar is visible at the top right of the page.

1. April 2020: 2000+ TCFD Berichte?



Über 2000 Investoren weltweit mit über USD 90 Billionen verwaltetem Vermögen haben die Principles of Responsible Investing (PRI) unterschrieben

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EU SUSTAINABLE FINANCE

Vorschläge der EU Kommission



TAXONOMY

Classification of green economic activities



STANDARDS & LABELS

Green Bond Standard & EU Ecolabel



BENCHMARKS

Transition & Paris-aligned benchmark methodologies



DUTIES & DISCLOSURE

ESG risks in the investment process



FINANCIAL ADVICE

Sustainability preferences in MiFID and IDD

Mythos 2: ESG ist ein Trend der wieder verschwinden wird

In der Finanzindustrie ist seit Jahrzehnten kaum ein Trend so konsistent wie das Wachstum im Bereich ESG

Mythos 3: ESG ist kompliziert und subjektiv



ESG hat viele Gesichter

ESG kann simpel oder anspruchsvoll umgesetzt werden



ESG Scores



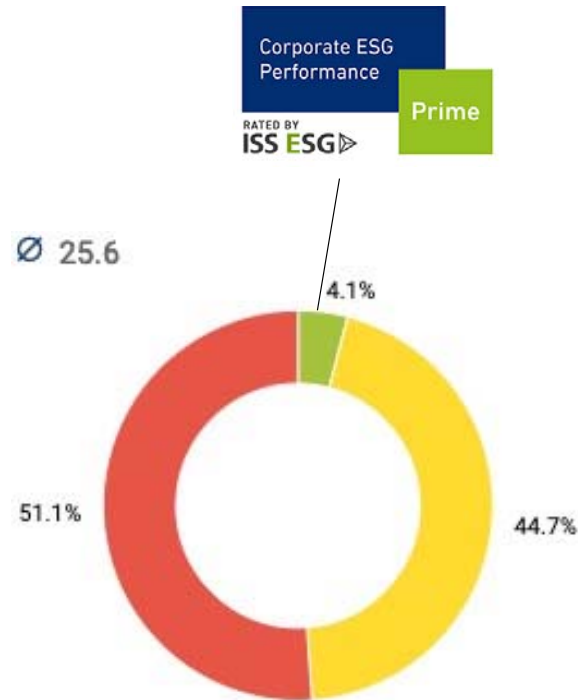
vs

ESG Indikatoren

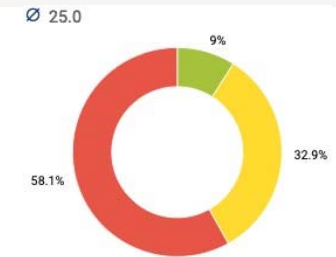
Nie gut genug? Beispiel Öl & Gas im Vergleich zu anderen Sektoren

Oil, Gas & Consumable Fuels

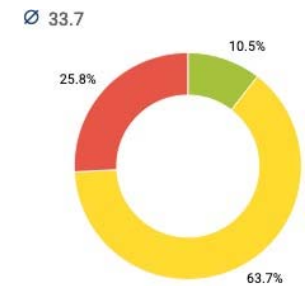
- Excellent 75 – 100
- Good 50 – 74.9
- Medium 25 – 49.9
- Poor 0 – 24.9
- Not Covered



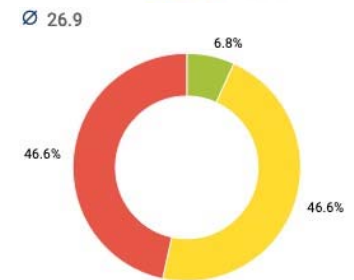
Chemicals



Electric Utilities



Metals & Mining



Nie gut genug? Rohstoffunternehmen aus dem ESG Blickwinkel

Optimiere Dein Geschäft

Fokus auf Transformation

DONG → **Ørsted**
energy



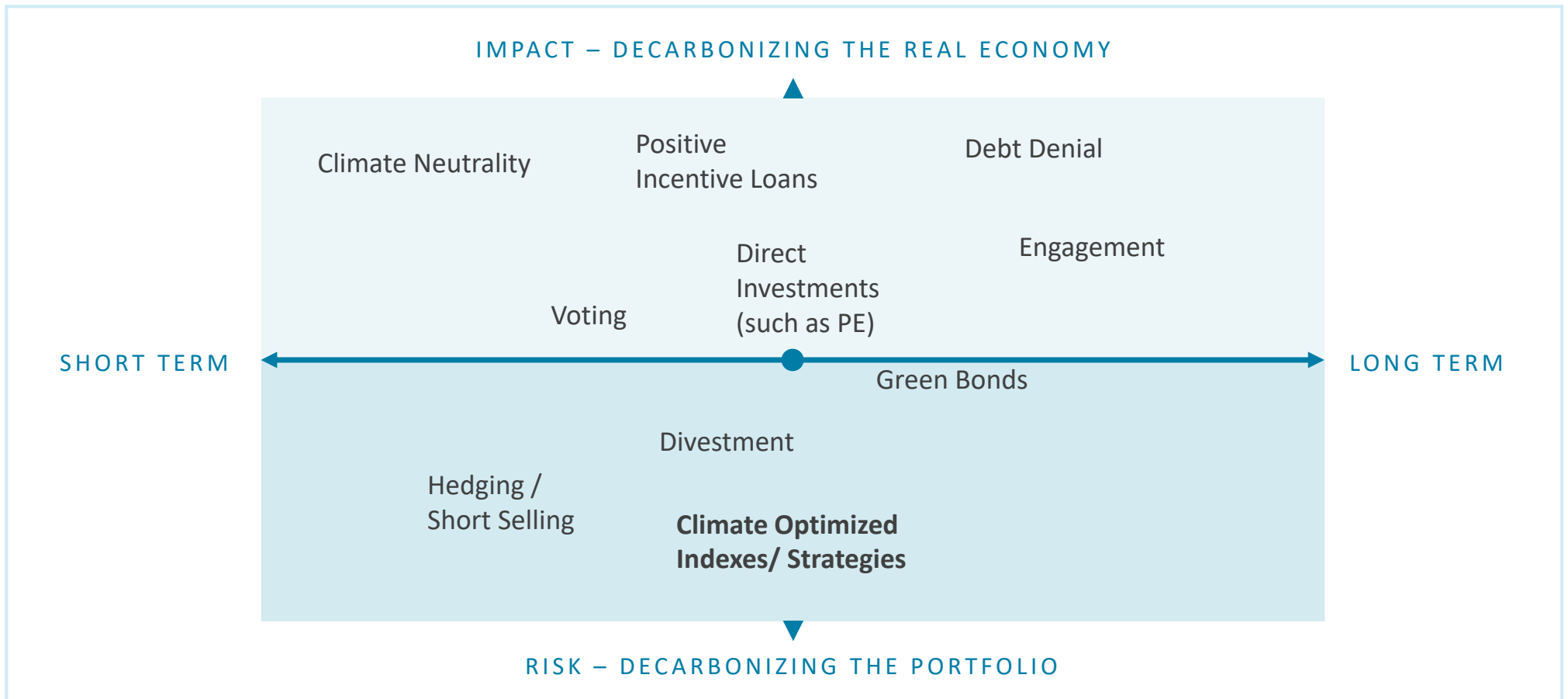
Optimiere Deine Prozesse

Fokus auf Best Practice

Lundin
Petroleum

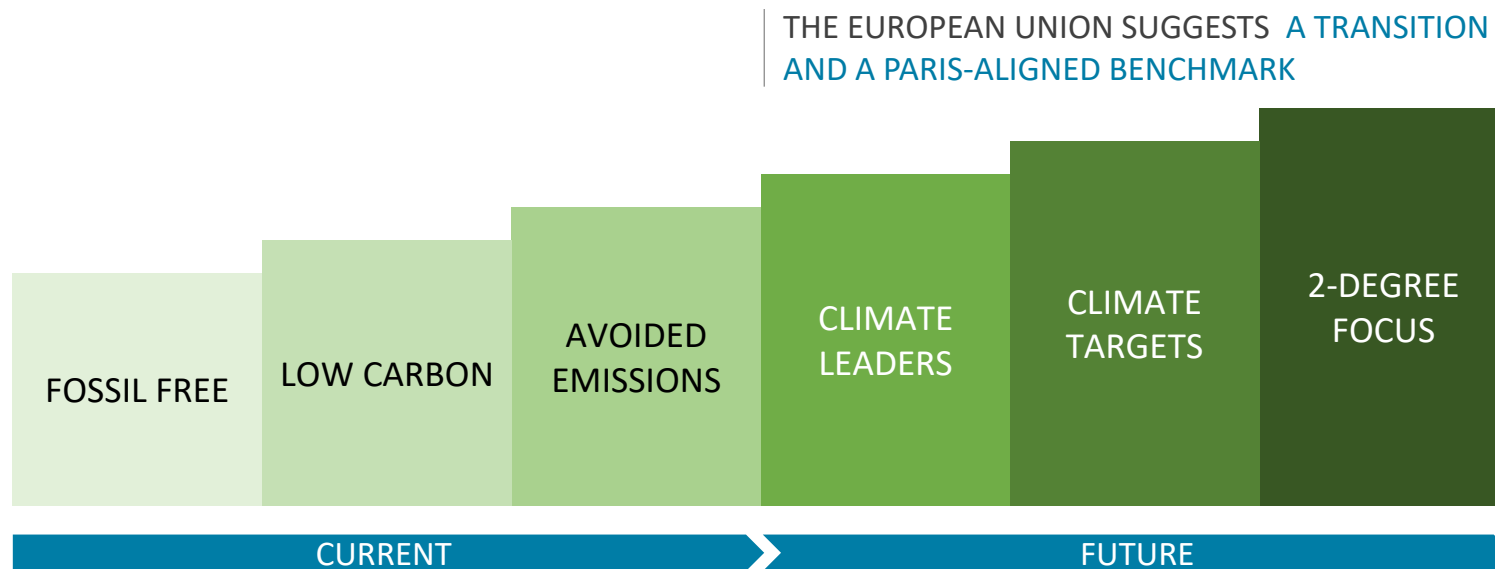


Werkzeugkasten von Investoren

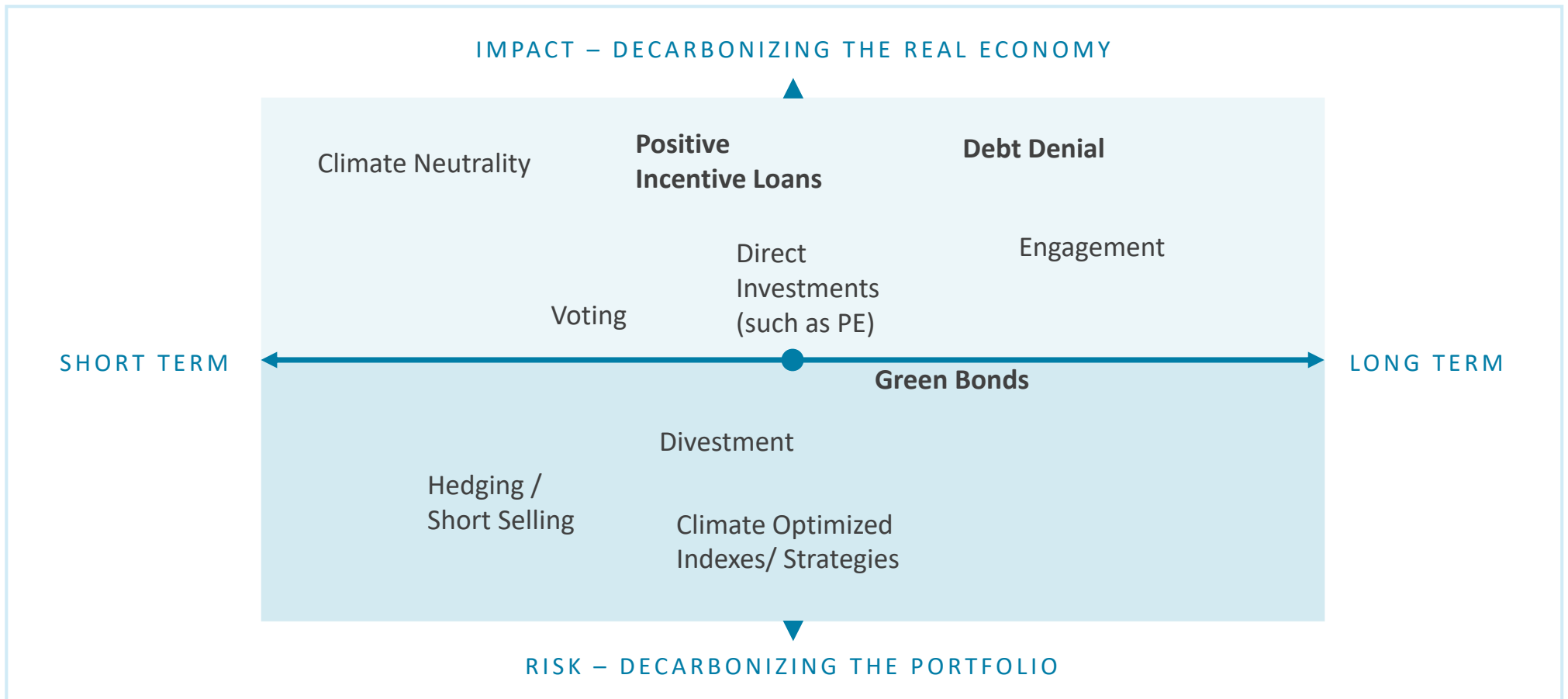


INVESTITIONEN VERSCHIEBEN SICH

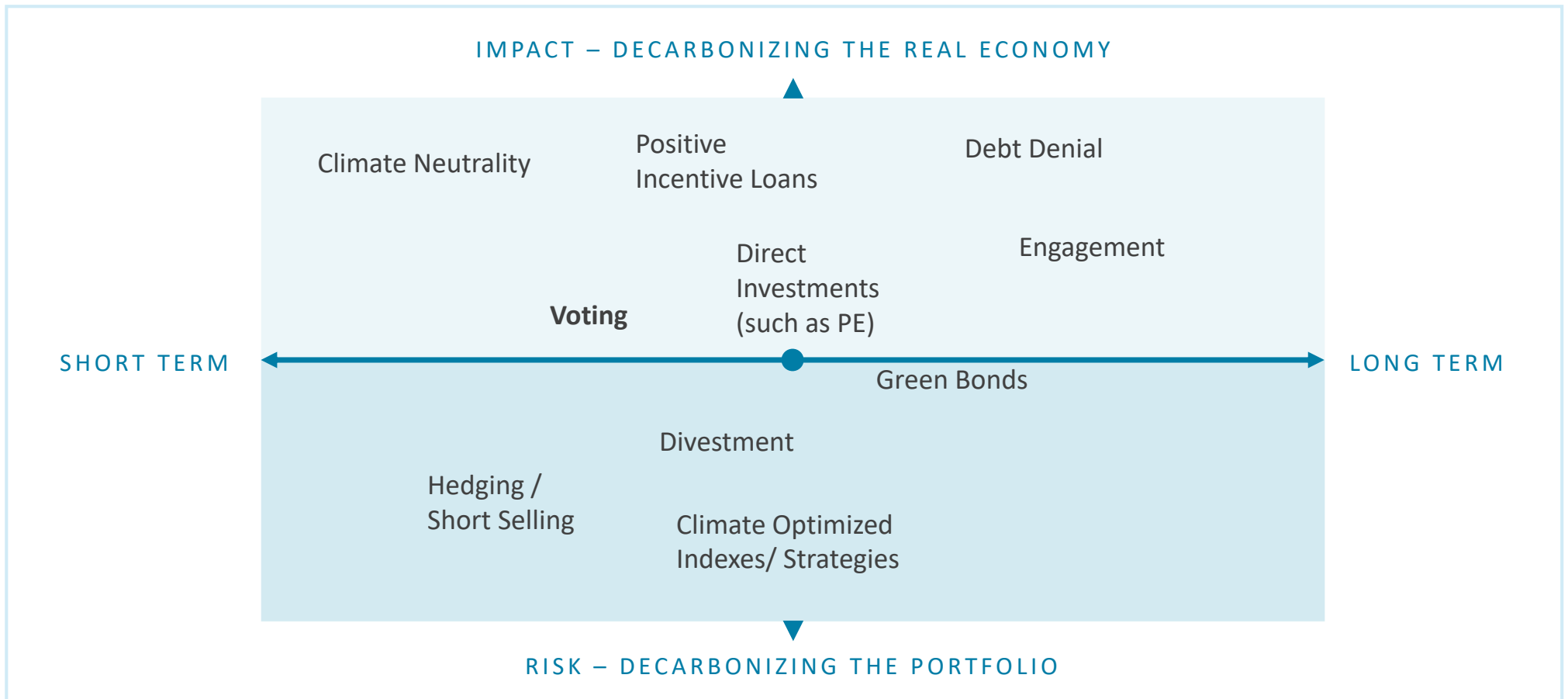
Eine grosse Anzahl an aktiven und passive Strategien kommt auf den Markt



Werkzeugkasten von Investoren





Werkzeugkasten von Investoren





KLIMARISIKEN UND PROXY VOTING

4 KEY INPUTS

 **DISCLOSURE INDICATORS**, such as the 200+ ISS climate-linked data and analysis factors

 **PERFORMANCE INDICATORS**, including existing ISS climate ratings and scores such as the Carbon Risk Ratings (CRR)

 **GHG EMISSIONS DATA**, (absolute, intensity, source, etc.) by industry, sector

 **NORM-BASED RESEARCH**, climate-related cases

Climate Disclosure

CLIMATE RISK DISCLOSURE

Climate Disclosure Pillars	Disclosure Alignment
Governance	MEETS STANDARD
Strategy	DOES NOT MEET STANDARD
Risk Management	EXEMPLIFIES STANDARD
Metrics & Targets	PARTIALLY MEETS STANDARD

Climate Performance

CURRENT CLIMATE PERFORMANCE

Greenhouse Gas Emissions	Total
Total Emissions (Scope 1 & 2)	2,345,678 tCO ₂ e
Total Emissions (Scope 3)	12,345,678 tCO ₂ e
Emission Intensity (Scope 1 & 2/m\$ Revenue)	2 tCO ₂ e
Avg Peer Emission Intensity (Scope 1 & 2/m\$ Revenue)	1.5 tCO ₂ e

FUTURE CLIMATE PERFORMANCE

Greenhouse Gas Emissions	Total
Climate Rating	Laggard
Climate Rating Grade (0-100)	12

Climate Risk Exposure

SECTOR CLIMATE RISK EXPOSURE

Sector Risk Level	HIGH
-------------------	------

INCIDENT-BASED RISK EXPOSURE

Norms Violation	SEVERE
-----------------	--------

Mythos 3: ESG ist kompliziert und subjektiv

ESG kann simpel oder anspruchsvoll umgesetzt werden, je nach Ambition und DNA

Mythos 4: Es gibt zu wenig Daten,
die Qualität ist schlecht



Mythos 4: Es gibt zu wenig Daten, die Qualität ist schlecht

Datenverfügbarkeit und -Qualität explodiert:
Das ESG Datenmeer ist schwer zu navigieren

Mythos 5: ESG kostet Rendite



ESG bringt Rendite

Richtig umgesetzt kann ESG Risiko reduzieren und Performance generieren



Morningstar Studie zu 54 nachhaltigkeitsfokussierten Aktien Indexfonds (02/2019):

- Financial performance: 73% (or 41) outperformed their peers
- Economic moat factor: 77% (or 43) had superior exposure
- Financial Health: 86% (or 48) had superior exposure
- Volatility: 84% (or 47) showed superior exposure

Nachhaltige vs reguläre Strategien: Performance 2009-2018



Source: Morningstar Direct. Data as of Dec. 31, 2018.

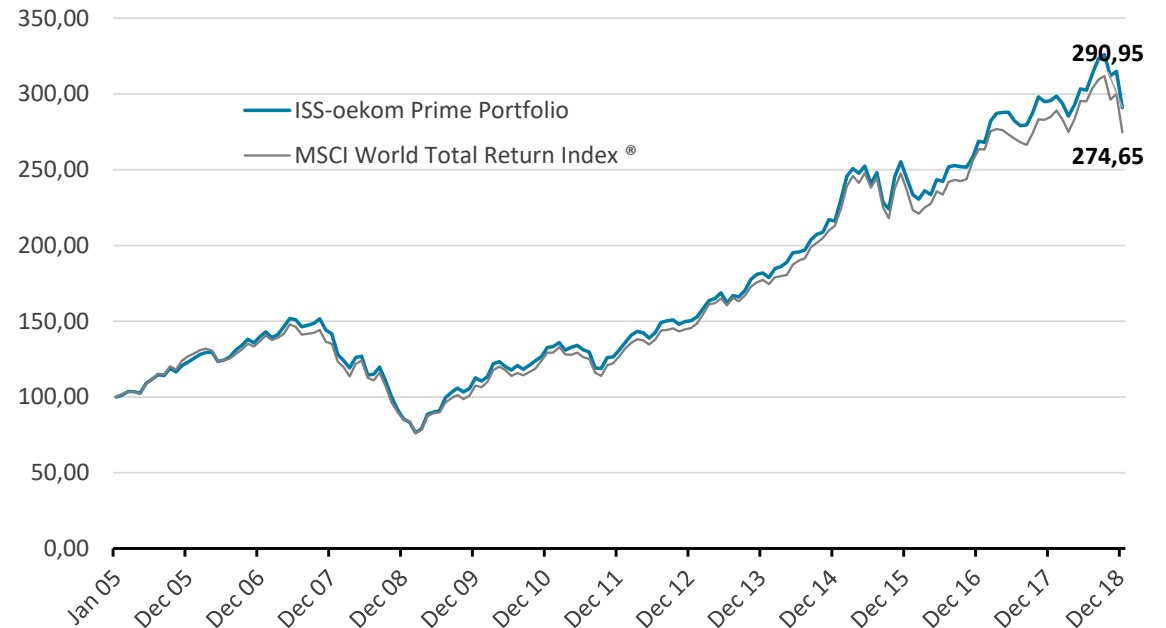


14 Jahre OUT- PERFORMANCE..

DAS ISS ESG PRIME PORTFOLIO
IM VERGLEICH ZUM BENCHMARK INDEX.

Source: Independent Performance Study of ISS ESG
best-in-class corporate issuers since 2005,
Deutsche Performancemessungs-Gesellschaft (DPG)

KUMMULATIVE RENDITE DES ISS ESG PRIME INDEX GEGEN DEN MSCI WORLD TOTAL RETURN INDEX



	ISS ESG Prime Portfolio	MSCI World Total Return Index®
Cumulative Return on Investment	190.95%	174.65%
Annualized Return	7.93%	7.48%
Annual Risk (Volatility)	12.55%	12.32%



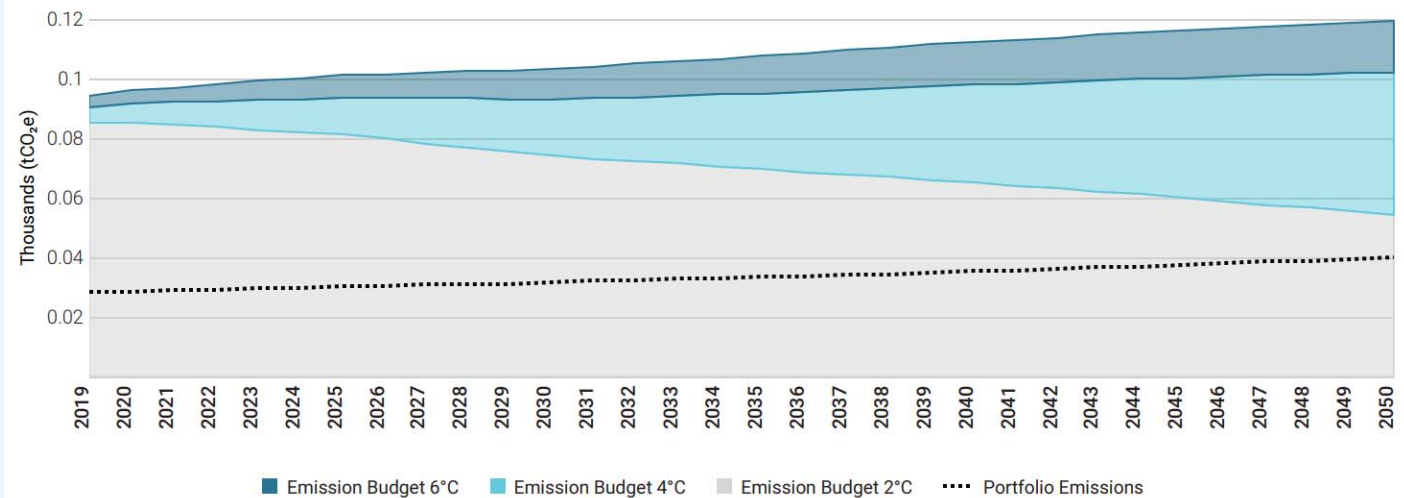
..auch im 2°C SCENARIO

DAS PORTFOLIO MIT DEN 609 PRIME-
RATED UNTERNEHMEN IST IM EINKLANG
MIT DEM 2-GRAD ZIEL 2050*

*all Prime rated companies, MCAP weighted.

KLIMA PERFORMANCE DER 609 PRIME UNTERNEHMEN

Portfolio Emission Pathway vs. Climate Scenarios



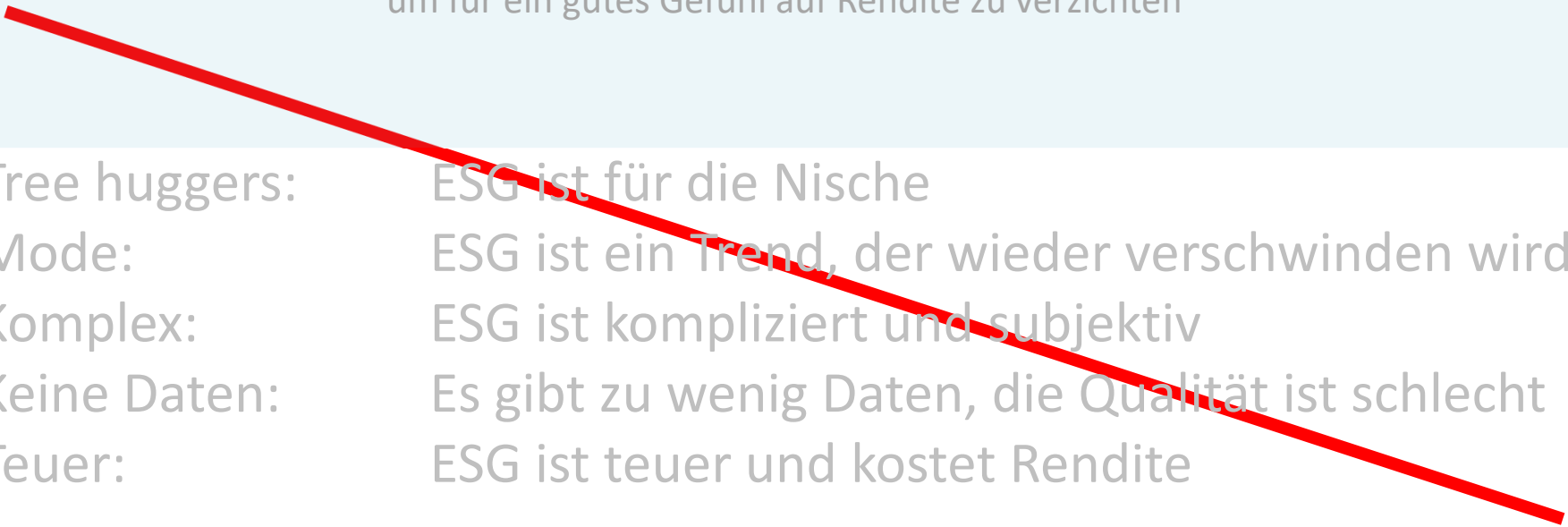
ESG KANN RISIKO REDUZIEREN UND EINE OUTPERFORMANCE GENERIEREN.

Mythos 5: ESG kostet Rendite

ESG bietet Chancen für Outperformance zu konkurrenzfähigen Kosten

Das Ende von 5 beliebten ESG Mythen

ESG ist ein kurzlebiger Trend für ein paar Ökos & Hippies, die subjektive Daten minderer Qualität nutzen, um für ein gutes Gefühl auf Rendite zu verzichten



Tree huggers:	ESG ist für die Nische
Mode:	ESG ist ein Trend, der wieder verschwinden wird
Komplex:	ESG ist kompliziert und subjektiv
Keine Daten:	Es gibt zu wenig Daten, die Qualität ist schlecht
Teuer:	ESG ist teuer und kostet Rendite

ESG im Jahr 2020 wird Standardpraxis für Kapitalanlagen. Robuste Daten und Werkzeuge sowie der regulatorische Rahmen schaffen neue Geschäftschancen zum Erwirtschaften höherer Renditen bei reduziertem Risiko.

DANKE!



Dr. Maximilian Horster
Managing Director
Head of Climate Solutions
Maximilian.Horster@iss-esg.com

