



# AH: “Climate Transition Investing: The Trajectory”

Official Version edited and presented by  
**Prof. Andreas G. F. Hoepner.**

Notes: The work is based on the excellent and tireless efforts of Claudia Bolli, Manuel Coeslier, Delphine Dirat, Steffen Hoerter, Jean-Christophe Nicaise Chateau, Sara Lovisolo, Veronique Menou, Chantal Sourlas and Jean-Yves Wilmotte. Edits by Prof. Hoepner are by 'AH:' while omissions are not indicated. Andreas also gratefully acknowledges scientific support from Theodor Cojoianu, Saphira Rekker, Fabiola Schneider and Theresa Spandel.

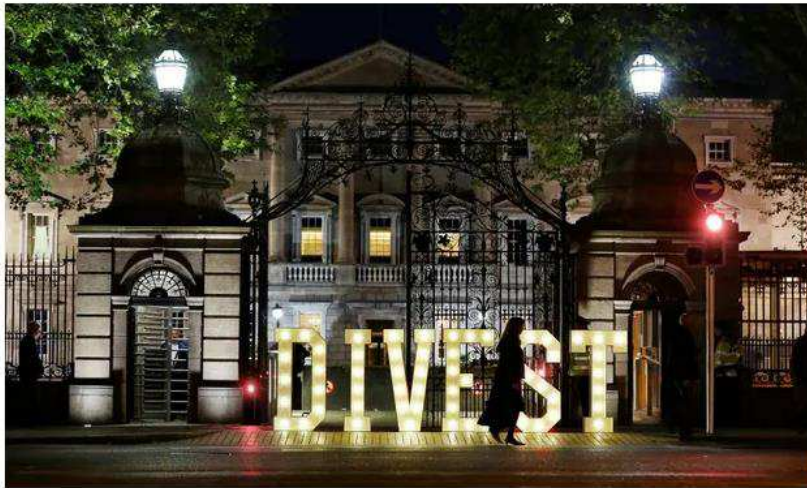
# AH: The situation in November 2019

***'Even we aimed to settle at an uncomfortable +4 degree, we would have to achieve net climate-neutral by 2100.'***

Joeri Rogelj, Lead Author of IPCC's 1.5 degree report (Phone Call, August 14th 2019):

## Ireland becomes world's first country to divest from fossil fuels

Bill passed by parliament means more than €300m shares in coal, oil, peat and gas will be sold 'as soon as practicable'



▲ A message to the Irish government to divest from fossil fuels is spelled out in lights in front of the lower house of parliament. Photograph: Sasko Lazarov/Photocall Ireland/Trócaire/350.org

Source: Guardian (July 2018)



Source: Irish Examiner (August 2019)

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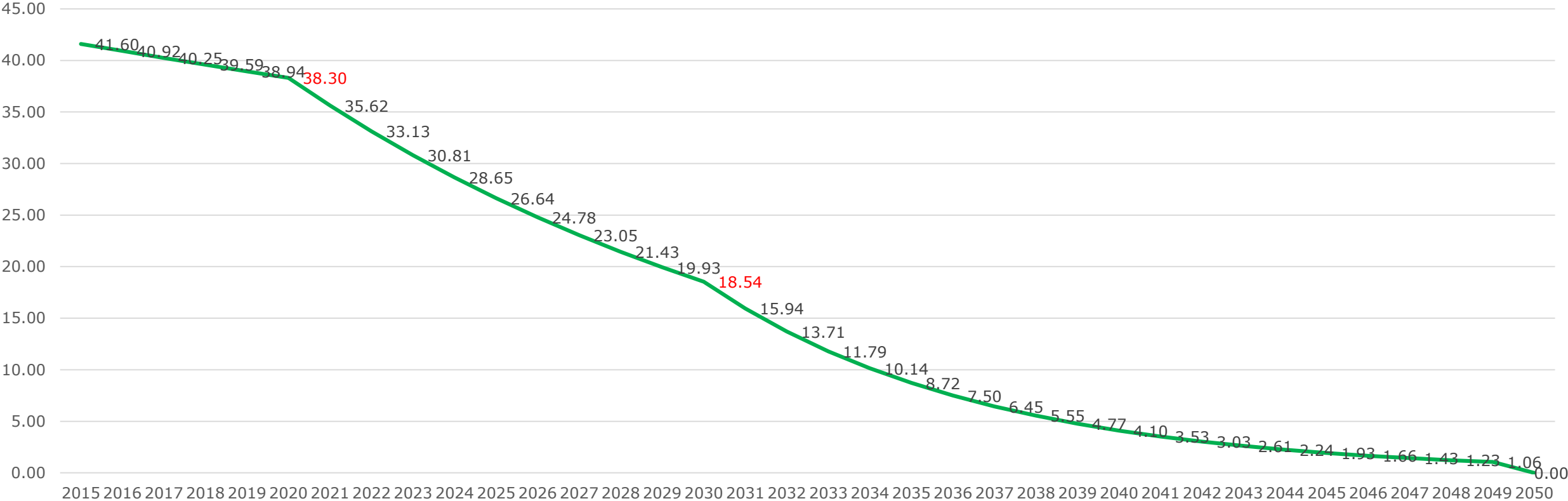


# AH: What is needed?!

## A trajectory to Net Carbon/Climate Neutral in 2050

### IPCC based Trajectory to Net Carbon Neutral from Paris Agreement 1.5C scenario 'Total net GHG emissions' (in GtCO2/yr)

based on IPCC Special Report on Global Warming of 1.5C (Table 2.1 & 2.4, Rogelj et al., 2018)



# Recommendations for climate benchmarks: Minimum Standards

The TEG recommends minimum standards for the **EU Climate Transition Benchmark (CTB)** and the **EU Paris-aligned Benchmark (PAB)**: AH: 2-factor Greenwashing Protection

Climate Scenario	Relative decarbonization	Self decarbonization	High Stakes Sector Constraint	Activity Exclusion
<b>IPCC 1.5°C</b>  with no or limited overshoot	<b>CTB: -30%</b> <b>PAB: -50%</b>  Minimum reduction in GHG emissions intensity (GHG/Enterprise Value) compared to market index	<b>-7%</b>  Minimum on average per annum reduction in GHG emissions intensity until 2050	<b>= or &gt;</b>  AH: Degree of Exposure to "asset heavy" sectors compared with investable universe [Equities Only]	1) Coal (1%+ rev.) 2) Oil (10%+ rev.) 3) Natural Gas 4) Electricity producers with carbon intensity of lifecycle GHG emissions higher than 100gCO <sub>2</sub> e/kWh (both 50%+ rev)

**EU CTB**



**EU PAB**



**Climate benchmarks**

Disclosure for all benchmarks