The Navigating Impact Project
Clean Energy Theme

GIIN and the Sustainable Finance Institute
October 7th, 2021
Agenda

• Introductions and background

• Introduction to the Clean Energy theme

• Clean Energy Strategic Goals summary

• Clean Energy metrics summary

• Q&A *Please use the “Questions” box to submit your questions for the speakers today*
The GIIN is the global champion of impact investing, dedicated to increasing the scale and effectiveness of impact investing around the world.

• Builds a **community of practice** among 300+ investors and impact investing services providers across 49 countries.

• Provides **tools, guidance, and resources** to help investors identify metrics and integrate impact considerations into investment management.

• Publishes actionable, high-quality **data, evidence, and insights** that enable investors to make more informed decisions related to impact investing.

• Reaches a **broad network of 30,000 individuals** located on six continents
Sustainable Finance Institute (SFI)

An independent think tank helping accelerate and enable global sustainable finance with an emphasis on Asia, education and energy.

• Hosted our first event in Shenzhen on the Future of Sustainable Finance in China during January 2019 at Peking University HSBC Business School and produced the book Modern China, Financial Cooperation for Solving Sustainability Challenges as was featured in SSIR in 2020

• In 2021, SFI is actively working with CSI, China’s main index provider, on its ESG framework, and launched the CSFA (Certified Sustainable Financial Analyst) designation, bringing Western sustainable finance education to Asia.

• Principals at SFI also expert at hydrogen, publishers of seminal books on sustainable finance and teach on energy studies, innovation, metrics and sustainable finance at leading institutions such as Yale, Brown, Concordia in Montreal, NYU and the Hanken School of Economics in Helsinki.
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Cary Krosinsky
Co-Founder, SFI

Todd Cort
Faculty Member, Yale School of Management
IRIS+ Introduction

Evidence base, Core Metrics Sets, best in class resources, and practical guidance. All in one place.
IRIS+: The Generally Accepted System To Measure, Manage and Optimize Impact

IRIS+ helps investors to translate **impact goals into real results**.

**Core Metrics Sets**
- to measure progress towards impact goals

**Catalog of Metrics**
- to identify additional metrics to track impact goals

**Evidence Base**
- to inform theory of change, anticipate expected impact

**Practical Guidance**
- to improve IMM practice and impact outcomes

**Standards Alignment**
- to standardize impact reporting across the industry

**A Public Good**
- to provide access to all impact investors
In Alignment with 50+ Standards and Frameworks

IRIS+ is framework-agnostic, and can be used with any standard or proprietary IMM framework
Global Consultation with 1,600+ Stakeholders

Sample of investors, networks, data providers, and initiatives involved in the development of IRIS+
Clean Energy theme: 150+ Stakeholders

Sample of investors, networks, data providers, and initiatives involved in the development of CE theme
IRIS+ Global Use

IRIS+ has been widely adopted across the world since launch in May 2019

Visitors To IRIS+, 200,000+ Globally
Numbers updated July 2021

AMERICAS 81K
EUROPE 57K
AFRICA 12K
ASIA 44K
OCEANIA 5K

GLOBAL BREAKDOWN

Market Influence

76%
Of top investors by AUM use IRIS+*

88%
Of HIPSO DFIs use IRIS+*

19,500+
Unique users
20% avg. Q/Q growth

36% SERVICE PROVIDERS
30% INVESTORS
22% OTHER
12% ENTERPRISE

11,300+
Firms & organizations
15% avg. Q/Q growth

24,150+
Subscribers

*76% of top AM, Pension funds & Inst. Investors by AUM (41 of 54)
Pipeline for Content Development & Launch

Ongoing development of IRIS+ themes

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Navigating Impact Project: Clean Energy Theme Process

RESEARCH + STAKEHOLDER ENGAGEMENT

The Navigating Impact Project

SCOPE
- Identify theme goals + parameters with stakeholder working group

RESEARCH
- Build on expert insights, evidence, frameworks, best practices

DRAFT + CONSULT
- Gather feedback from expert working group

STANDARDIZE
- Ensure consistency across themes and metrics

PUBLIC COMMENT
- Call for feedback and testing

REVIEW
- Incorporate feedback, edit, finalize

STANDARDS
RELEASE + UPDATE
- Launch theme on IRIS+, monitor, and update as market advances

Today
Launch in Navigating Impact Project
Role of the Navigating Impact Project

• Document **common strategic goals**, each including:
  • Overviews on how investors can drive impact
  • Evidence maps
  • Core, recommended metrics
  • Curated IMM resources
  • Links to SDGs, practical guidance, etc.

• Strategic goals can be used **individually or in combination** according to user needs

• Once in IRIS+, strategic goal metrics sets are **customizable** in the system so that users can adjust according to their contexts
Clean Energy Theme
Clean Energy Storage

Strategic goal #1: Increasing clean energy storage capacity through improved batteries and other technologies

What is included in this Strategic Goal? Investments aligned with this Strategic Goal aim to improve energy storage technologies and infrastructure to support the global transition to clean energy.

Why does this matter? One major problem hindering the successful transition to 100% clean energy is the intermittency of variable renewable energy sources, like wind and solar power, that naturally fluctuate. Energy storage systems can alleviate the intermittency of renewable energy sources by releasing stored power when clean energy inputs like wind and solar are not available.

Investment Example

Gore Street Capital established the Gore Street Energy Storage Fund (GSF) to invest in a diversified portfolio of fully developed, utility-scale energy storage projects primarily located in the United Kingdom and Ireland. In its 2020 fiscal year, Gore Street exported a total of 3000 MWh of electricity to the grid and saved consumers approximately 400 MWh during the winter-season period of peak system demand.
Clean Energy T&D

Strategic goal #2: Increasing availability of clean energy through improved transmission and distribution infrastructure

*What is included in this Strategic Goal?* Investments aligned with this Strategic Goal aim to improve energy transmission and distribution infrastructure to support the global transition to clean energy.

*Why does this matter?* In terms of T&D systems, the clean energy transition faces two primary challenges: distributed generation and intermittency. Investments in improved T&D infrastructure can help to alleviate current challenges.

*Investment Example*

**SparkMeter** provides smart electricity meters, custom analytics, and grid management services for emerging market microgrid and distribution utilities. SparkMeter’s solution could mitigate more than 2.5 gigatons of CO₂ emissions by 2050. SparkMeter has sold over 150,000 meters across 25 countries in Africa and Asia.
What is included in this Strategic Goal? Investments aligned with this Strategic Goal aim to increase the generation of clean energy by supporting the development of low- and zero-carbon alternatives.

Why does this matter? Despite falling cost, sources of clean energy are not being adopted at the rate necessary to limit global warming to 1.5°C. Barriers to increasing these sources of energy include low-cost natural gas, reliance on government subsidies or support, high capital costs, and regulatory hurdles related to project sites.

Investment Example

Intersect Power is a developer of utility-scale renewable energy. Intersect has a USD 8 billion portfolio of more than 60 projects in all phases of development, including 3.7 GWDC of solar assets.
Clean Energy Access

Strategic goal #4: Improving access to clean energy for underserved communities

What is included in this Strategic Goal? Investments aligned with this strategic goal aim to provide underserved and energy-impoverished communities with access to clean, affordable energy as part of broader efforts to ensure a just energy transition.

Why does this matter? Economic excluded groups and certain emerging economies lack access to and funding for clean energy usage despite technological advancements elsewhere. Thus, a roadmap for economy-wide decarbonization must prioritize plans, policies, and investments that seek to eradicate energy poverty through green, affordable energy for all. Investors should seek to maximize social and economic benefits for local communities and increase productivity per unit resource while capitalizing on the commercial opportunity of the low-carbon transition.

Investment Example

Arcadia provides solar energy options to households that cannot otherwise afford rooftop solar or that are not allowed to install rooftop solar. Currently, Arcadia powers around 2,500 homes in partnership with solar developers, with around 12 kW in installed capacity.
Clean Energy Core Metrics

Increasing **clean energy storage capacity** through improved batteries and other technologies

- Energy Stored: Renewable
- GHG Emissions Avoided or Reduced
- Energy Storage Capacity
- Energy Discharged
- Energy Discharged Rate
- Energy Storage Device Lifecycle
Clean Energy Core Metrics

Increasing **clean energy storage capacity** through improved batteries and other technologies

- Energy Stored: Renewable
- GHG Emissions Avoided or Reduced
- Energy Storage Capacity
- Energy Discharged
- Energy Discharged Rate
- Energy Storage Device Lifecycle

Increasing availability of clean energy through improved **transmission and distribution infrastructure**

- Energy Transmission Capacity Added
- Energy Capacity Added: Renewable
- GHG Emissions Avoided or Reduced
- Client Households: Provided New Access
## Clean Energy Core Metrics

### Increasing clean energy storage capacity through improved batteries and other technologies
- Energy Stored: Renewable
- GHG Emissions Avoided or Reduced
- Energy Storage Capacity
- Energy Discharged
- Energy Discharged Rate
- Energy Storage Device Lifecycle

### Increasing availability of clean energy through improved transmission and distribution infrastructure
- Energy Transmission Capacity Added
- Energy Capacity Added: Renewable
- GHG Emissions Avoided or Reduced
- Client Households: Provided New Access

### Increasing clean energy generation through low- and zero-carbon alternatives
- Energy Generated For Sale: Renewable
- GHG Emissions Avoided or Reduced
- GHG Emissions: Total
- Energy Generated For Use: Renewable
### Clean Energy Core Metrics

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Q&A

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How to get involved with IRIS+

• **Learn more about how IRIS+ is used:**
  - Join a demo of IRIS+: [https://iris.thegiin.org/iris-demo/](https://iris.thegiin.org/iris-demo/)


• **Help build new themes**
  - Currently in progress / happening soon: Sustainable Ag, Racial Equity, Biodiversity, and Climate Adaptation & Resilience

To get involved, go to [https://iris.thegiin.org/collaborate/](https://iris.thegiin.org/collaborate/) or email gearle@thegiin.org.
Thank you!

sfini.org

www.thegiin.org