



## Ecofin's Net Zero Initial Disclosure

**Proportion of AUM to be managed in line with net zero:** All publicly traded equities at Ecofin (Energy Transition, Global Renewables Infrastructure, Sustainable Listed Infrastructure, Global Water, as well as the public sleeve of TEAF) as of 12/31/21 totaled \$1.3B or 68% of total Ecofin's overall AUM.

**If less than 100% AUM is initially committed, a brief explanation of why the proportion is the maximum currently achievable and how it will increase over time:** The covered assets represent all of Ecofin's publicly traded equity strategies and any future public equity strategies we currently anticipate we may launch. We intend to continue engaging with all investments and clients to encourage them to adopt science-based greenhouse gas reduction targets and commit to net zero emissions by 2050. There is not currently an approved methodology appropriate for us to measure and set targets for our private infrastructure and fixed income investments. We will continue working with network partners to assess methodologies and will include these assets into our commitment as it is practical to do so.

**Baseline Year:** The baseline year is 2020. As of 12/31/20, 22% of our publicly traded companies had made or are publicly committed to a Science Based Targets initiative (SBTi) approved science based target (SBT).

**Target Year:** The target year is 2030.

**Quantified target(s) to be achieved by target year:** Targeting 75% of covered assets will have approved or have committed to making SBTs for reducing GHG emissions, approved by SBTi by December 31, 2030.

**Methodology used to set targets:** SBTi for Financial Institutions – Portfolio Coverage methodology

**Coverage of Scope 1, 2 and extent of Scope 3 coverage of financed emissions:** SBTi for Financial Institutions – Portfolio Coverage methodology

**Underlying science-based net zero scenarios/pathways from which targets are derived:** SBTi for Financial Institutions – Portfolio Coverage methodology

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**Brief description of how the asset manager considers the target to be consistent with delivering a fair share of the 50% global reduction in CO2 emissions by 2030 identified as a requirement in the IPCC special report on global warming of 1.5°C:**

As an asset management company, the vast majority of our GHG emissions footprint comes from “financed emissions” via our investments. The most impactful way to reduce our footprint is thus to engage with portfolio companies on their own emissions reduction initiatives – we consider the SBTi one of the best available verification options for our portfolio companies’ emissions reduction targets. We have therefore chosen to follow the SBTi Portfolio Coverage methodology, whereby “financial institutions commit to engaging with their borrowers and/or investees to set their own science-based targets, which shall be validated by the SBTi, such that the financial institution is on a linear path to achieve 100% SBT coverage by 2040.” We are committed to 75% SBT portfolio coverage by 2030, a pace that should put us on-track towards 100% SBT coverage well before SBTi’s 2040 deadline.

**Information on the asset manager’s policy in relation to fossil fuel investment:** Additional information will be available on our website shortly, and will apply to 100% of our AUM. In short, our policy is that Ecofin does not intend to invest in Energy and Power companies that have not demonstrated a commitment to a business model designed to succeed in a low-carbon economy. While Ecofin may invest in companies with a history of or legacy exposure to fossil fuels, such an investment would rely on evidence that the company’s business model has shifted to alignment with net zero emissions. In no case will Ecofin invest in a company that has a material amount of revenues from selling fossil fuel reserves.

**Please provide any information on targets for operational emissions, if set:** As an asset management company, the vast majority of our GHG emissions footprint comes from “financed emissions” via our investments. While Ecofin will endeavor to implement best practices and reduce our own emissions, we believe the most efficient way to reduce our footprint is to engage with portfolio companies on their own emissions reduction initiatives.

**For more information, please click here for Ecofin’s Net Zero Initial Disclosure: FAQs.**