

# INITIATIVE CLIMAT INTERNATIONAL

## About iC International

The initiative Climat International (iC International) was originally launched as the iC20 (Initiative Climat 2020) in November 2015 by a group of French private equity firms who decided to join forces and contribute to the Paris Agreement's objective of limiting global warming to well-below 2 degrees Celsius.

Private equity is an integral cog in the global economic system, facilitating sustained growth across industries and market sectors. In light of this, iC International's call to action is clear: the global private equity industry has to play its part in tackling climate change by leveraging tried-and-tested methodologies to analyse and mitigate carbon emissions and exposure to climate-related financial risks in their portfolios.

The first step is to engage the wider private equity industry to better understand and manage carbon emissions. The next step will be to work towards forward-looking analysis of climate-related financial risk, in line with the recommendations of the TCFD.

The iC International therefore calls upon the global private equity community to join the efforts of its founding signatories, the major private equity players in France.

## iC International commitments

### I

We recognize that climate change will have adverse effects on the global economy, which presents both risks and opportunities for investments.

### II

We will join forces to contribute to the objective of the Paris Agreement to limit global warming to well-below two degrees Celsius.

### III

We will actively engage with portfolio companies to reduce their greenhouse gas emissions, contributing to an overall improvement in sustainability performance.

## Why join the iC International?

iC International signatories are characterised by their **active** participation in the development of **pragmatic** solutions to measuring, assessing and mitigating climate-related financial risk. The success of iC International rests squarely on the principles of **transparency** and **best practice sharing**.

### What are the benefits?

- Be part of an endorsed, global and collaborative initiative to assess and mitigate private equity's exposure to climate change risk
- Access to "tried and tested" carbon footprint measurement methodologies, and climate-related training materials
- Leverage practitioner experience in hands-on workgroups

### What are the responsibilities?

- To adhere to the iC International commitments
- To actively participate in the development and implementation of shared methodologies for measuring and reducing carbon/climate risk
- To promote the initiative amongst the private equity industry

### What is the overarching objective?

- The global private equity industry has the means to mitigate and properly prepare for the effects of climate change.

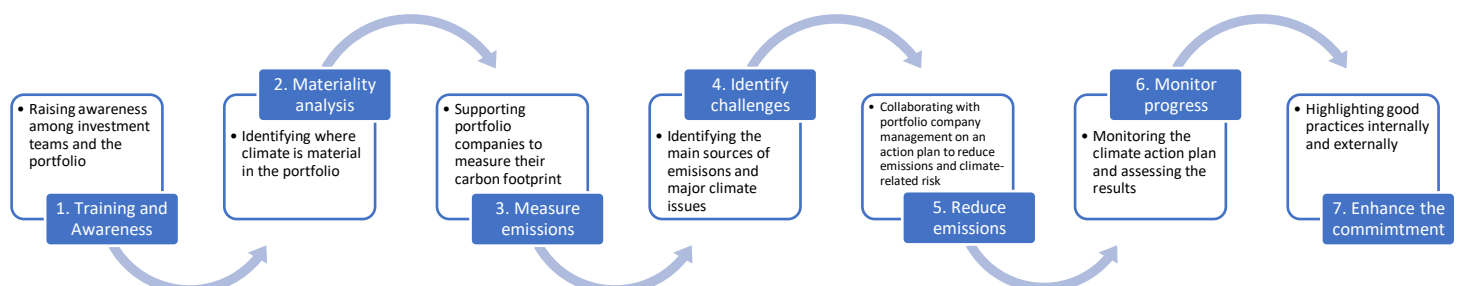
### How to join?

Prospective members must complete the manifesto and application form (under 'Attachments' on the Collaboration platform iCI page), submitting both documents to [jack.balsdon@unpri.org](mailto:jack.balsdon@unpri.org). Once you have sent these, click on "Request to Join" to request access to the members' area on the platform.

Then find your country network - if existing or build it – and ask access to the network's convenors (e.g. "iC France").

Any questions before you start? Please see our FAQs document (also under Attachments).

## iC International signatory roadmap

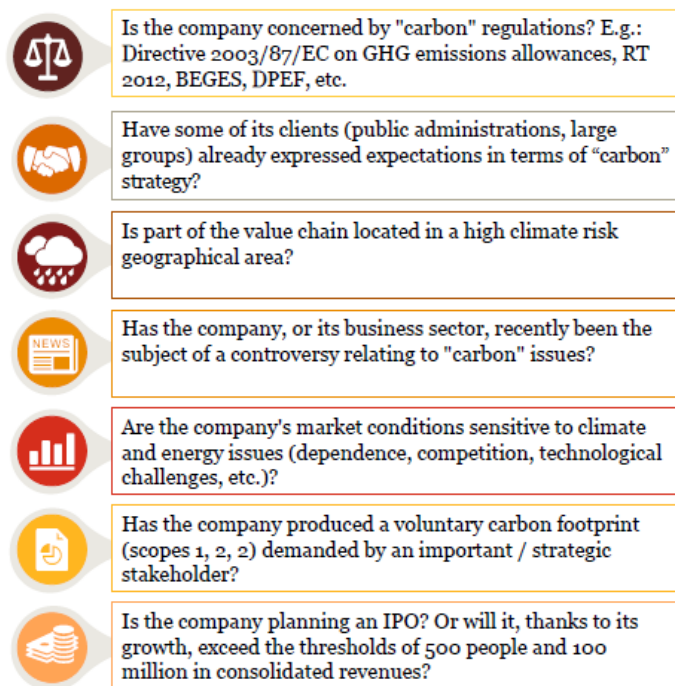









## Access, utilise and develop tools and resources

### Illustration of the toolbox developed by the iC France network

- *Analyse the materiality of climate risk in the portfolio*

Provide guidance to answer to the seven materiality questions below for portfolio company managers:



-  Is the company concerned by "carbon" regulations? E.g.: Directive 2003/87/EC on GHG emissions allowances, RT 2012, BEGES, DPEF, etc.
-  Have some of its clients (public administrations, large groups) already expressed expectations in terms of "carbon" strategy?
-  Is part of the value chain located in a high climate risk geographical area?
-  Has the company, or its business sector, recently been the subject of a controversy relating to "carbon" issues?
-  Are the company's market conditions sensitive to climate and energy issues (dependence, competition, technological challenges, etc.)?
-  Has the company produced a voluntary carbon footprint (scopes 1, 2, 2) demanded by an important / strategic stakeholder?
-  Is the company planning an IPO? Or will it, thanks to its growth, exceed the thresholds of 500 people and 100 million in consolidated revenues?

- *Measurement and management of portfolio emissions*

Provide tools to support the application of simplified and advanced methodologies:

- Simplified methodology: an Excel sheet tool that will calculate Scope 1 and 2 emissions based on ten data points for the portfolio company.
- Advanced methodology: a list of methodologies and sector guides to inform third party hire to conduct detailed emissions analysis [under development].

### iC International partners



**PRI:** The PRI endorsed the iC International at Climate Finance Day in November 2018 and encourages its private equity signatories to join the initiative. The iC International initiative is hosted on the PRI online [Collaboration Platform](#) and open to all private equity firms to sign.

**France Invest:** The iC France is a working group of the [France Invest](#) ESG Commission.

**Investor Agenda:** the iCI is a supporting partner of the [Investor Agenda](#) since September 2019