**EN AVANT!**
**FRENCH INVESTORS LEAD THE WAY TO A LOW-CARBON ECONOMY**

**In a nutshell**

Article 173 of the French Energy Transition Law requires investors to go far beyond previous voluntary climate-related initiatives. Our climate friendly portfolio analytics enable French investors to meet the new climate reporting requirements.

Our suite of climate friendly portfolio analytics enable institutional investors to comply with the French Energy Transition Law and demonstrate their contribution to the transition to a low-carbon economy.

**A Snapshot of Article 173**

The new reporting framework was established in 2015. It covers all asset classes (Equity, Fixed Income, Alternative, etc.) and requires both quantitative and qualitative approaches.

| **ESG reporting** | Description of the integration of climate and ESG factors into investment decisions. |
| **Carbon footprinting** | Carbon footprint of the investor’s entire portfolio or a relevant portion of the portfolio. |
| **Exposure to climate risks** | Exposure to financial risks associated with climate change, either physical or carbon asset risks. |
| **Contribution to the energy transition** | Alignment of the investor’s portfolio with both national and international climate change policies and targets. |

*Only for entities with a total balance sheet or belonging to a group with a total balance sheet of EUR 500 millions or more.*

thesouthpolegroup.com
Comply or Explain

Investors are required to disclose their asset investment policies and GHG emissions associated with holdings. This includes:

• Identifying companies with high GHG intensity
• Evaluating long-term availability and cost of natural resources
• Measuring capital expenditure used for the development of fossil fuels
• Justifying the metrics used to assess environmental impact
• Setting targets that are aligned with international/national policies
• Assessing the materiality of climate risks: technology diversification, physical risks and legal risks

Our Climate Friendly Portfolio Analytics

As an experienced provider of climate friendly solutions to the financial industry, South Pole Group offers a wide range of solutions to investors. Our suite of portfolio analytics enable investors to comply with new regulatory requirements and devise sound sustainable investment strategies. Our team of experts work closely with investors to assess the carbon footprint of investment portfolios, including their exposure to green energy, as well as the climate impact of the invested companies.

Global team

We are a truly global provider of sustainability solutions and services. Our team is made up of over 150 skilled and enthusiastic professionals from over 20 different countries, based in offices spanning 6 continents.