

Greening Finance & Investment

Presentation to Oxford Energy Day

Matt Scott

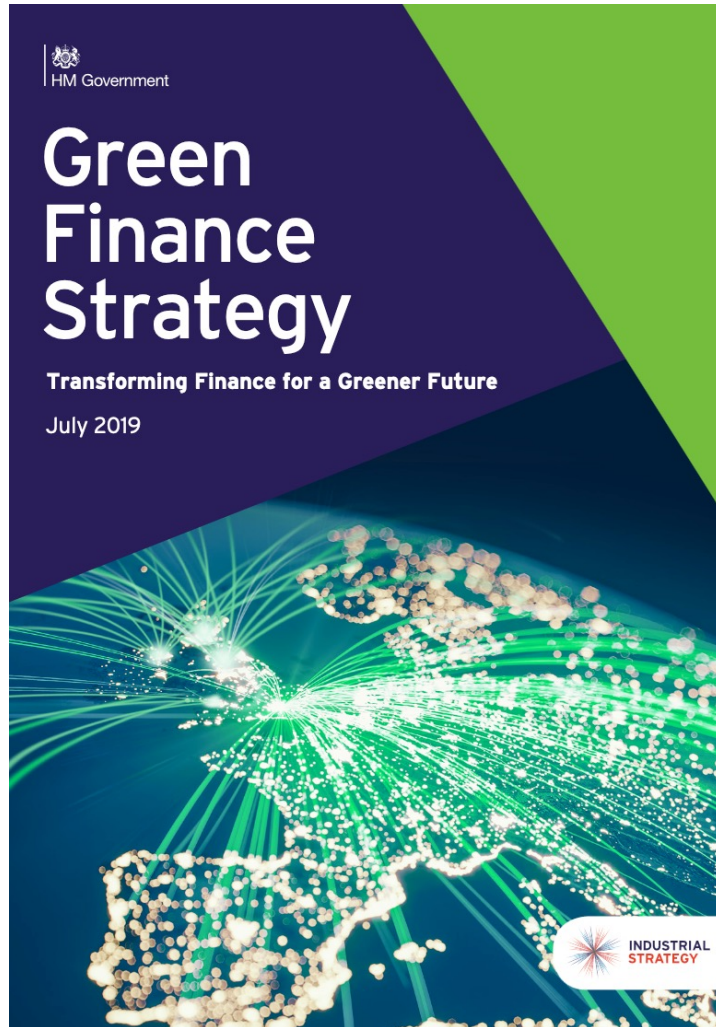
Executive Director, Centre for Greening Finance &
Investment (CGFI), Smith School, Oxford University
Matt.scott@smithschool.ox.ac.uk



1. Setting the Scene

2. The Greening of Finance

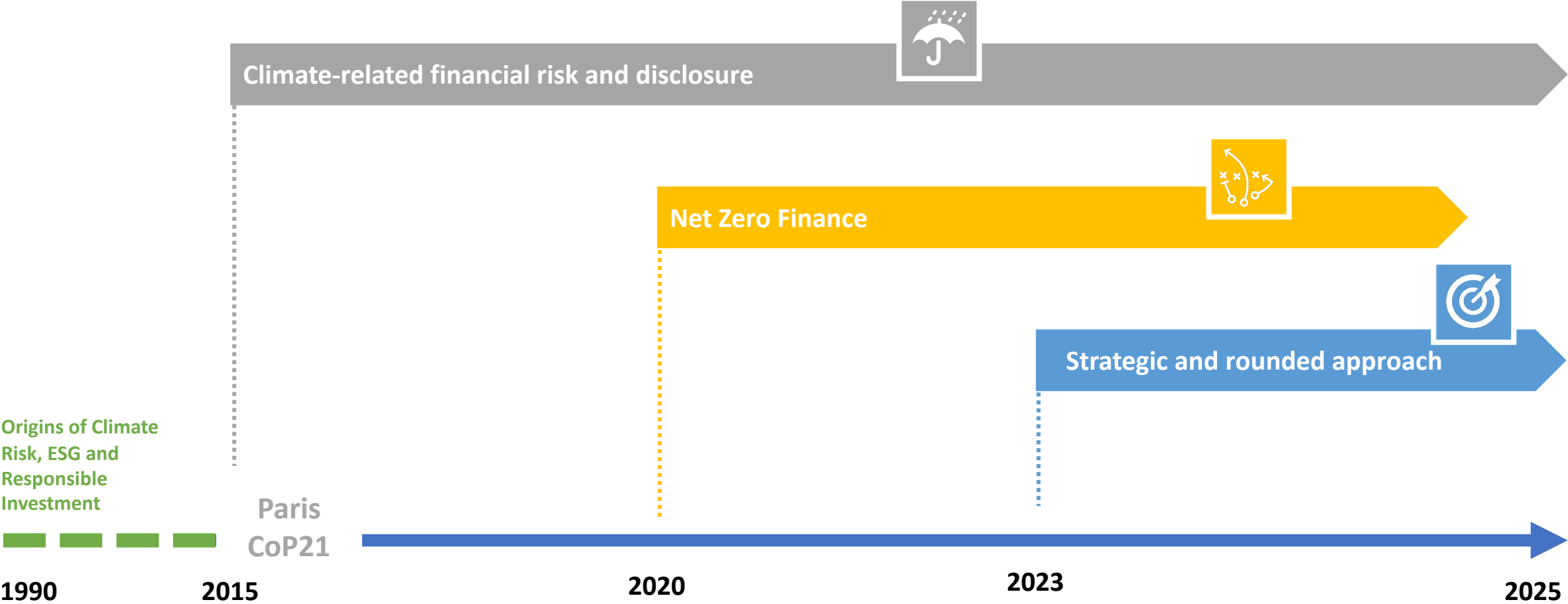
3. UK CGFI



The Greening of Finance



Greening Finance: Key Inflexion Points



Framework for climate-related financial risks and opportunities



The impact of climate change on the UK insurance sector

A Climate Change Adaptation Report by the Prudential Regulation Authority

September 2015

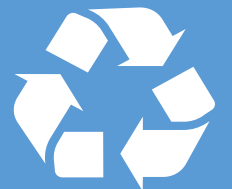
Physical



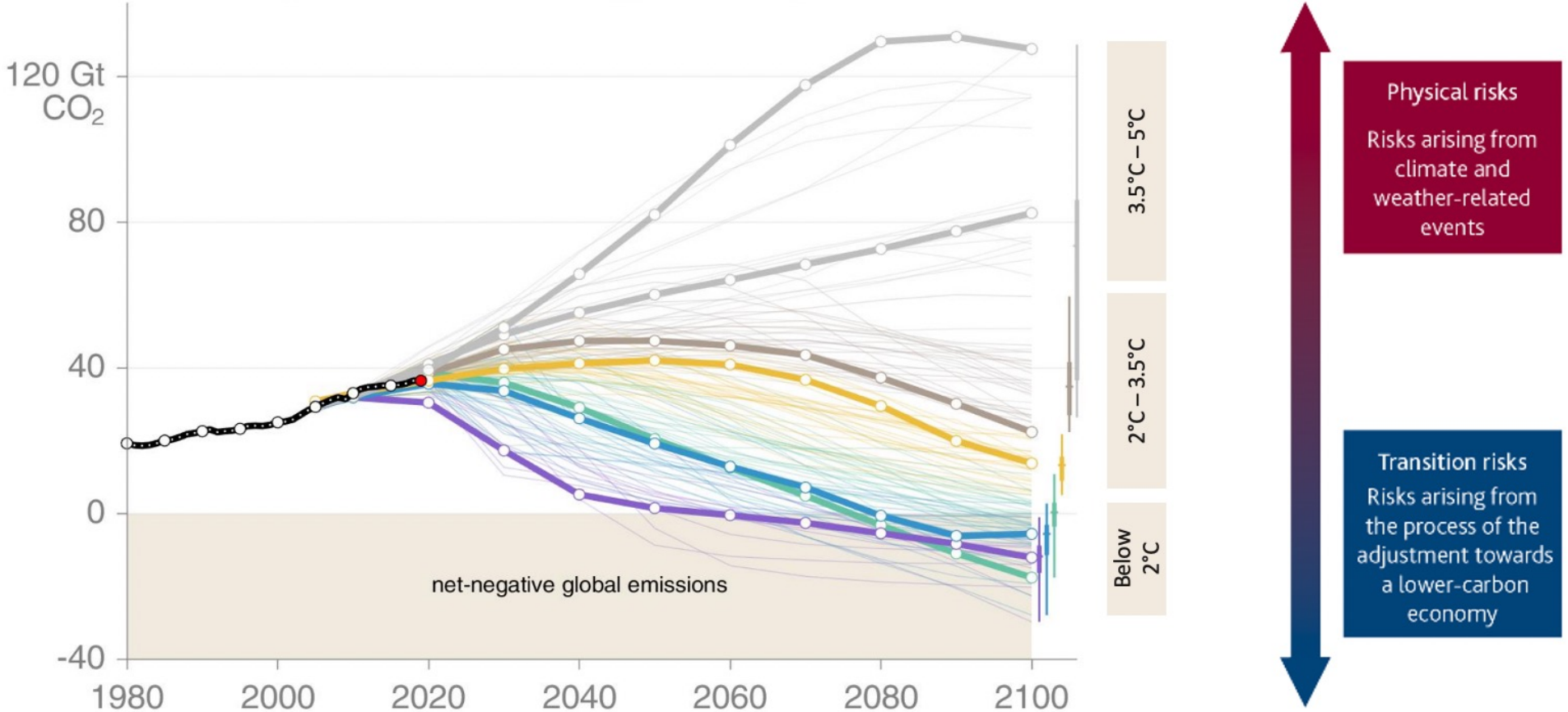
Transition



Liability



The extent of physical and transition risks will depend on future scenarios



Climate-related Financial Disclosure

[Home](#) / Breaking the tragedy of the horizon - climate change and financial stability - speech by Mark Carney

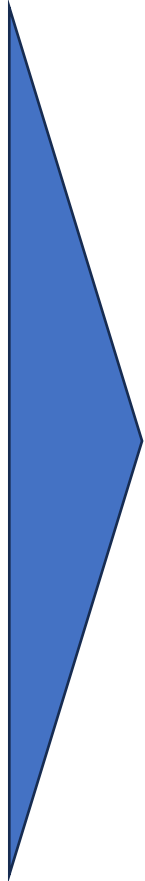
Breaking the tragedy of the horizon - climate change and financial stability - speech by Mark Carney

A portrait of Mark Carney, a man in a dark suit and tie, looking slightly to the right.

 Speech given at Lloyd's of London.



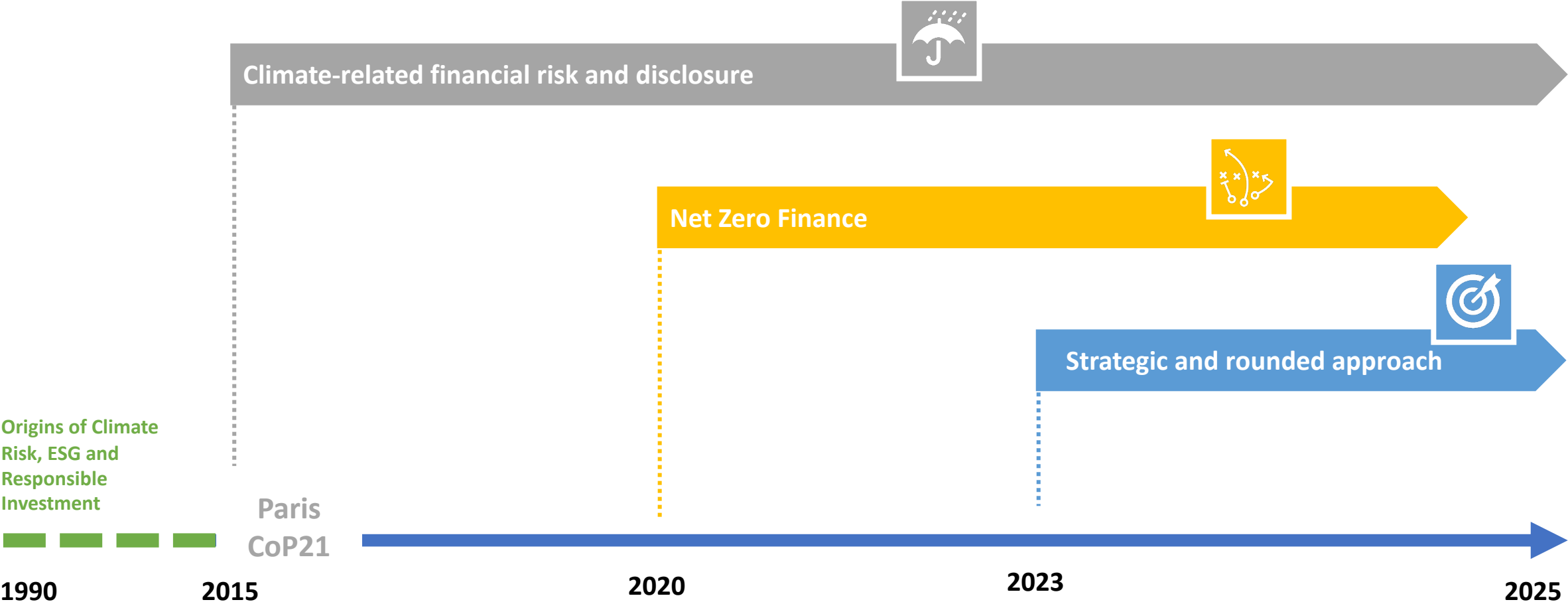
FSB FINANCIAL STABILITY BOARD



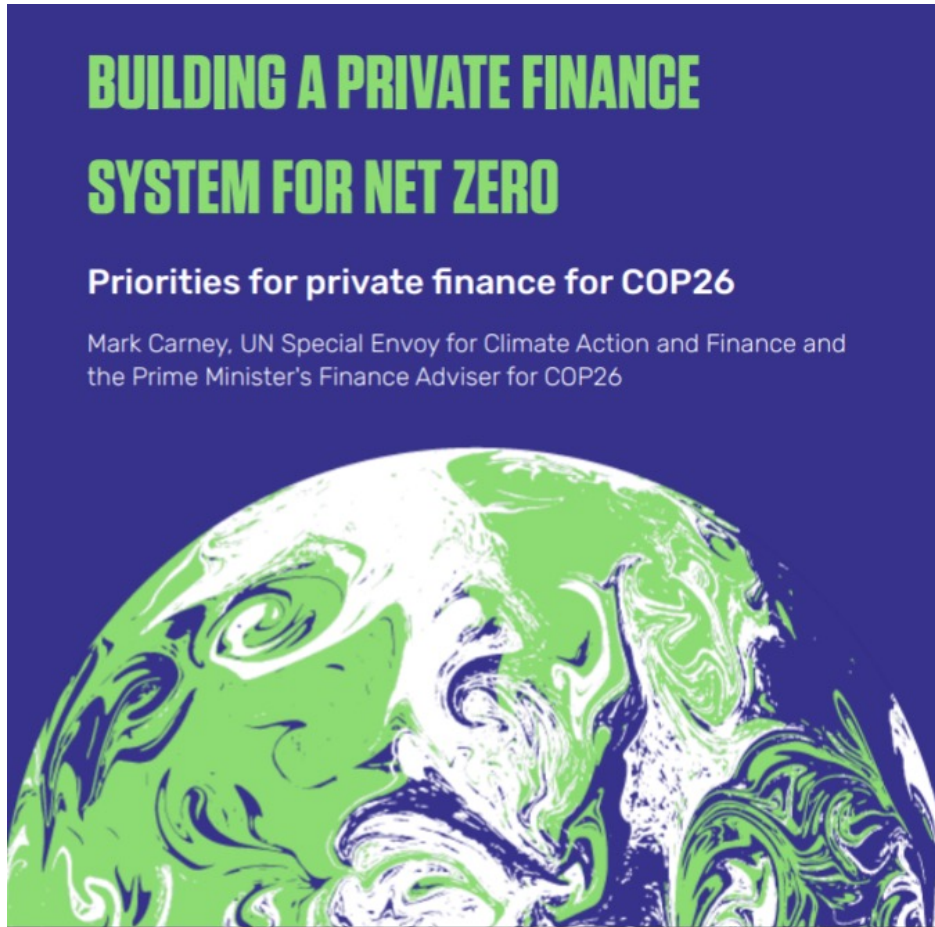
TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Greening Finance & Investment: Key Inflexion Points



The Race to Zero: Net Zero Targets for private finance and real economy



Glasgow Finance Alliance for Net Zero (GFANZ)

550+
Firms

\$150
trillion in assets

'Paper Decarbonization' and Unintended Consequences

Paper Decarbonisation

Greening Own Balance Sheet

vs.

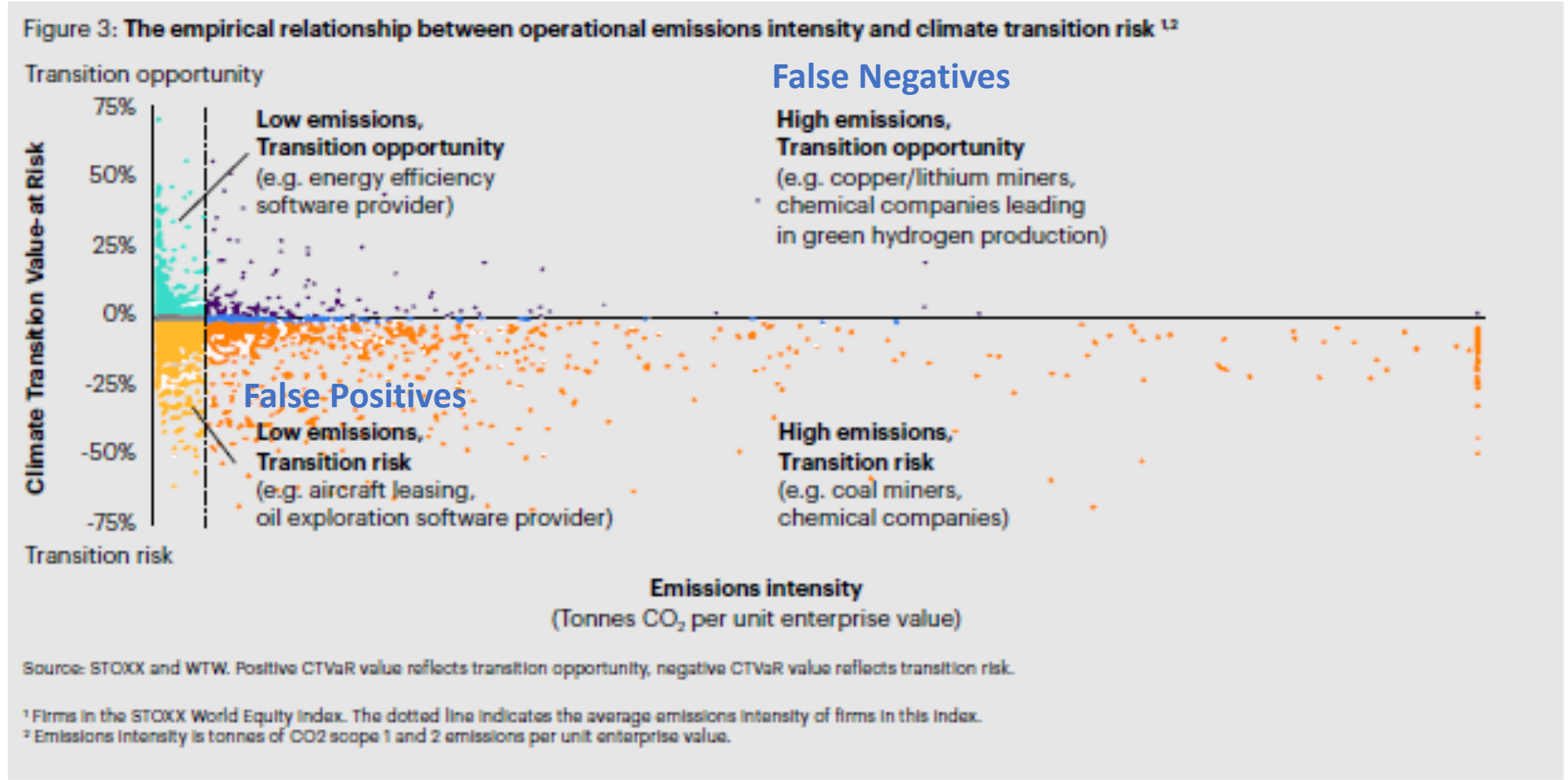
Greening the Economy



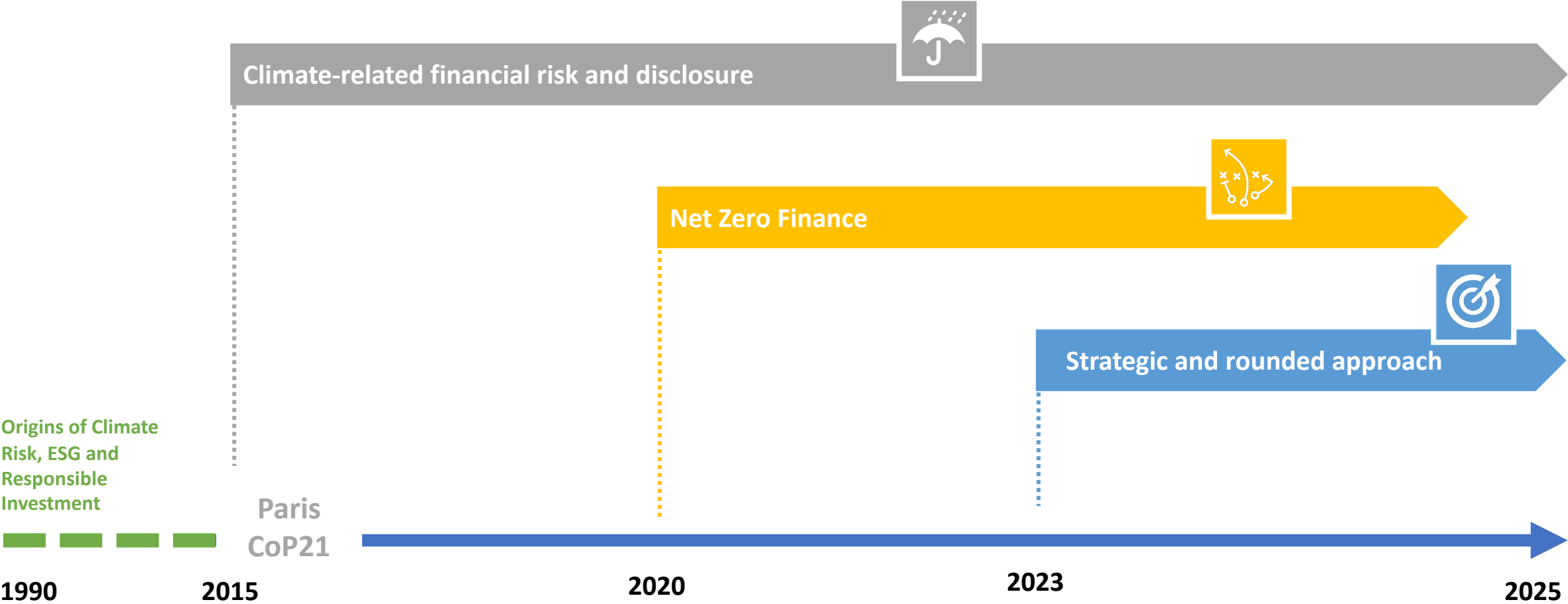
Unintended Consequences

1. Divestment not necessarily the answer
2. Potential for 'green asset' bubbles
3. Need to a Just Transition
4. Systematic biases and gaps

Systematic biases and gaps



Greening Finance & Investment: Key Inflexion Points





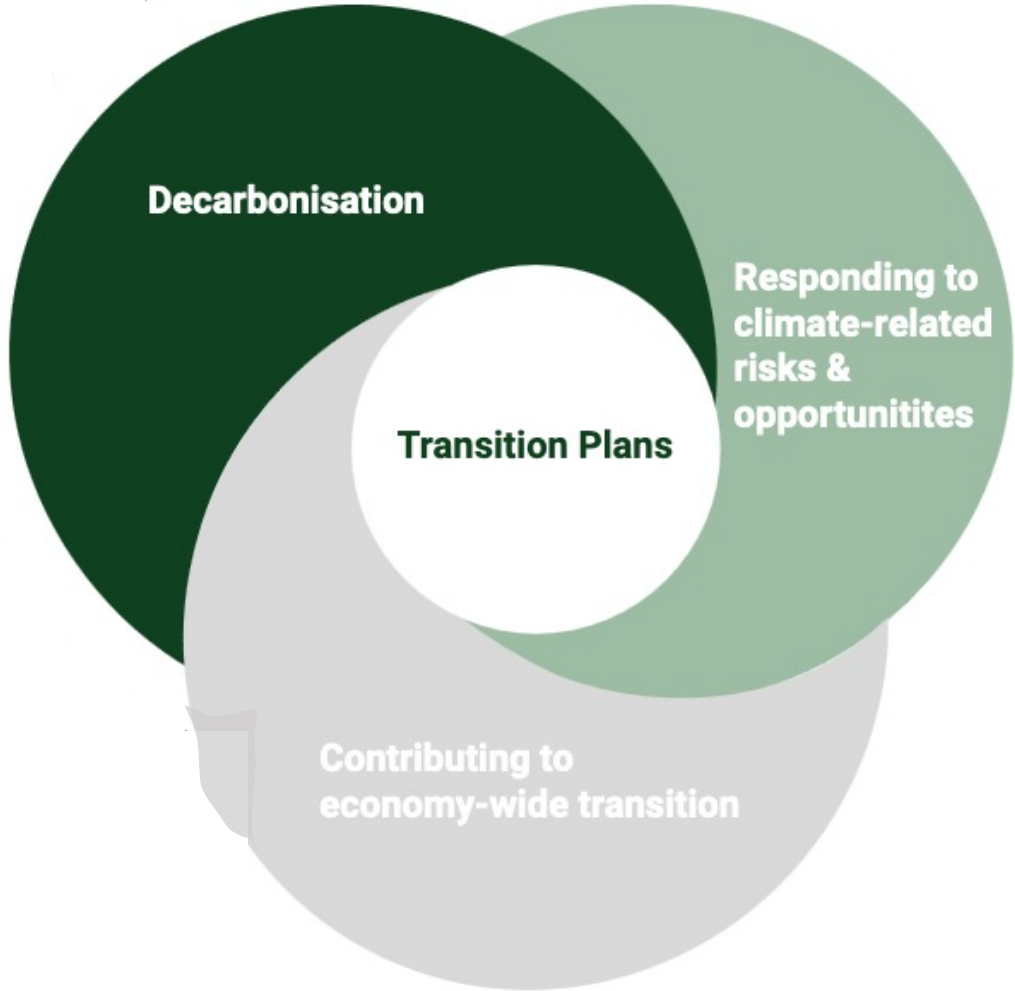
Transition Plan Taskforce

TPT

The TPT was launched by HM Treasury to develop a gold standard for transition plans for finance and the real economy.

- Driving the Transition
- Bringing Together Leaders across Sectors
- Informing Future Regulation

A Strategic and Rounded Approach to Transition Planning



Elements of a robust plan

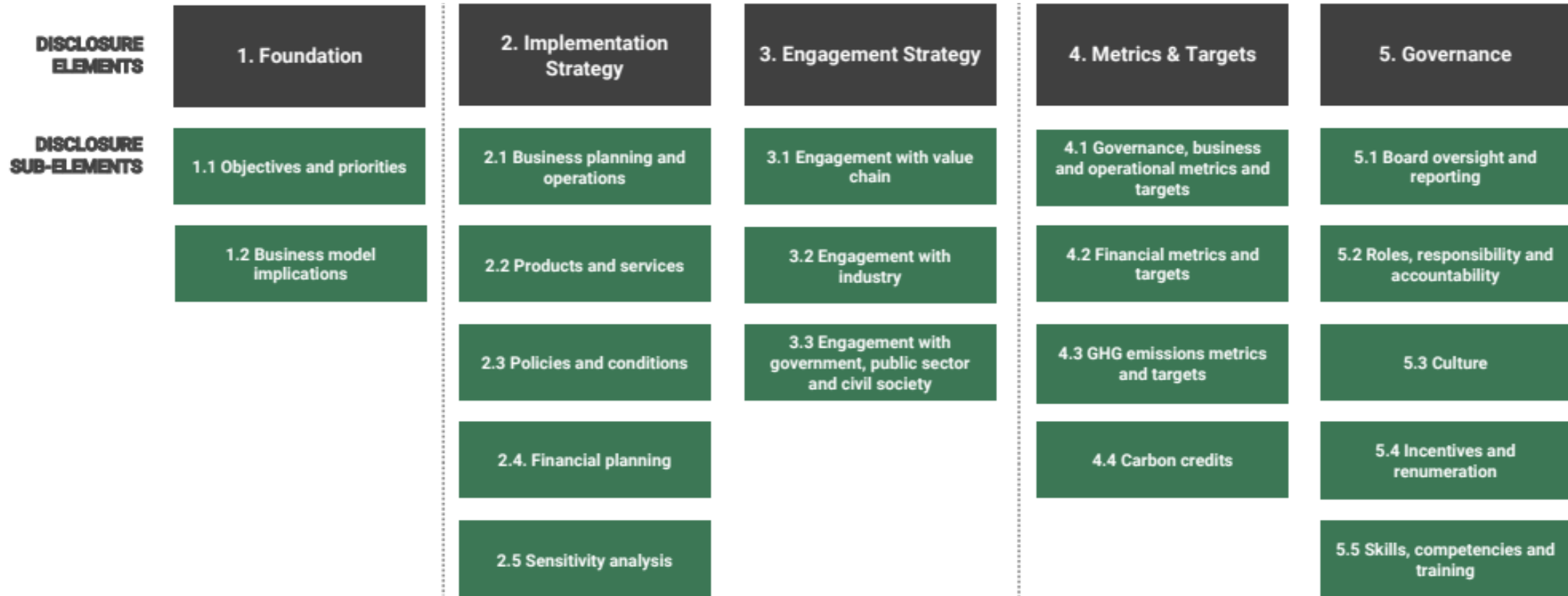


Figure 4: The TPT Disclosure Framework



CGFI – The Centre for Greening Finance & Investment



Vision

A world where every financial decision takes climate change and the environment into account

Purpose

To accelerate the adoption and use of climate and environmental data and analytics by financial institutions internationally

CGFI TEAM

CORE TEAM



The Alan Turing Institute



Imperial College London



SPATIAL FINANCE INITIATIVE 



CROSS-CUTTING PARTNERS



Icebreaker One



PROFESSIONAL BODIES

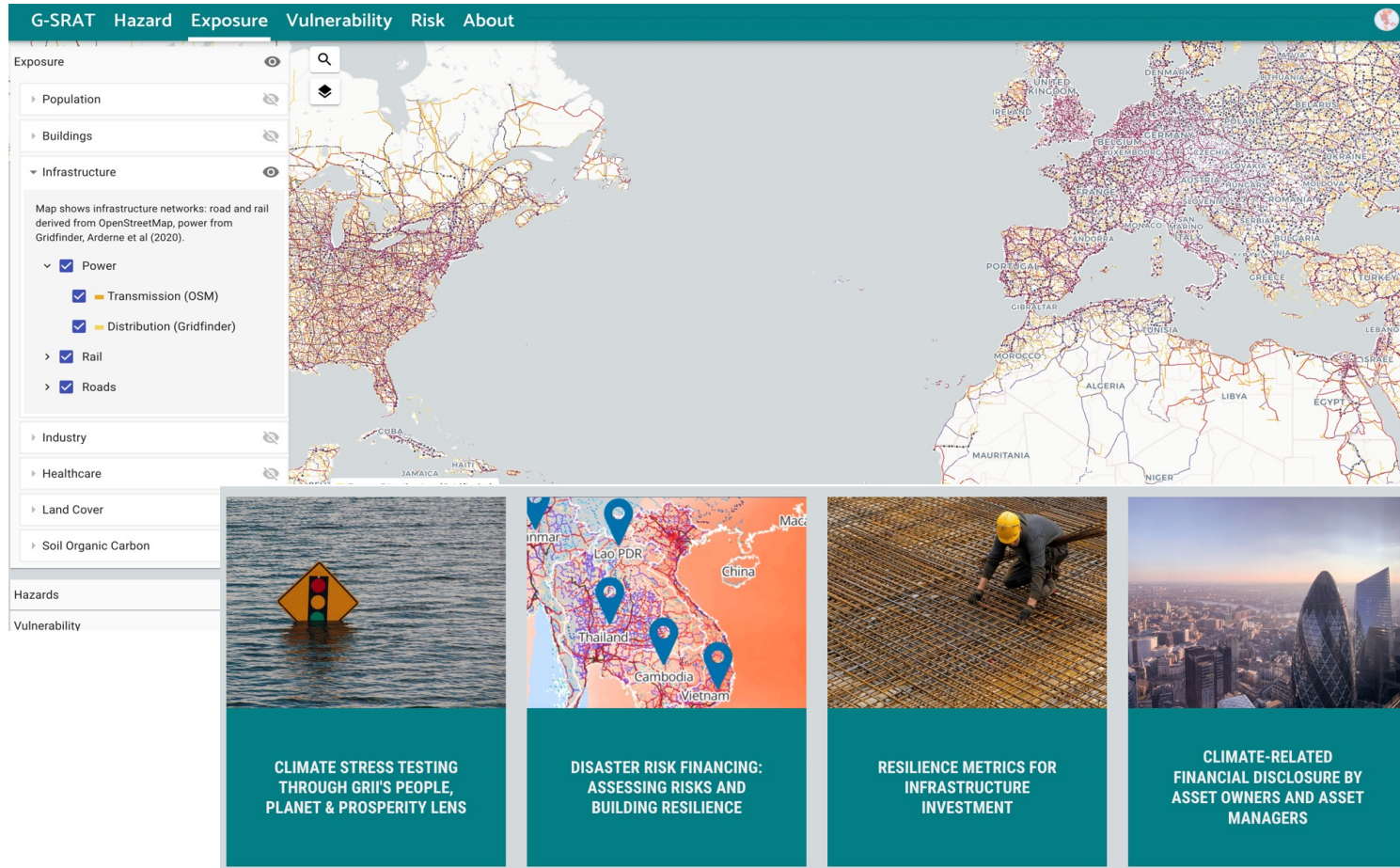
Chartered Banker



INNOVATION HUBS



GLOBAL RESILIENCE INDEX INITIATIVE

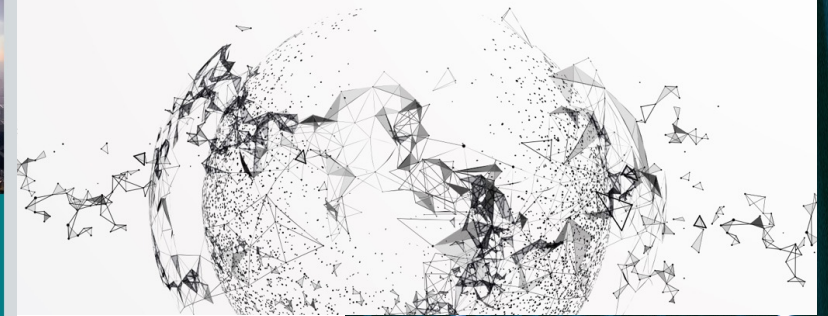


Risk Information Exchange

GLOBAL RESILIENCE INDEX INITIATIVE
A COMMON LANGUAGE OF RISK

TOWARDS A CLIMATE-RISK DATA ARCHITECTURE:
common and open risk metrics to align finance with climate-resilient development goals

Discussion paper





Smith School
of Enterprise and
the Environment



QUESTIONS?