




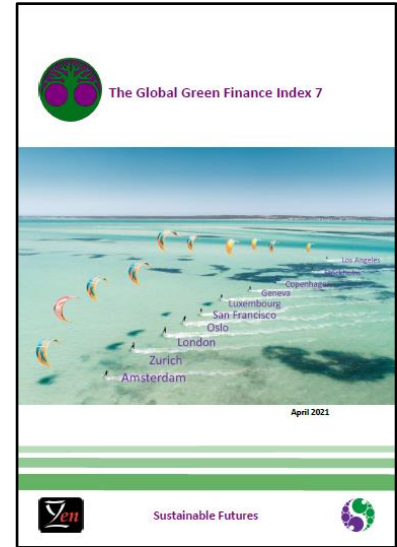
"Zest for Enlightenment"

Global Green Finance Index Global Launch

GGFI 7

Thursday 29 April 2021 0900 – 1000 BST

 @longfinance

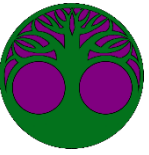


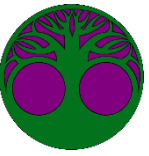
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Welcome And Introduction

Professor Michael Mainelli
Executive Chairman
Z/Yen Group





Ranking The World's Green Financial Centres



Agenda



09:00 Welcome and Introduction

Professor Michael Mainelli, Executive Chairman, Z/Yen Group

09:05 GGFI 7 Results

Mike Wardle, Director, Z/Yen Group

09:20 Unlocking Private Capital

Dr Andy Sloan, Chair, Guernsey Green Finance

09:30 Commentary

Professor Michael Mainelli, Executive Chairman, Z/Yen Group

09:40 Comments, Questions & Answers

09:55 Concluding Remarks

10:00 Close



GGFI 7 Results

Mike Wardle
Director, Head Of Indices
Z/Yen Group



Global Green Finance Index



- ◆ Launched in 2018 to track the development of green finance in financial centres of the world.
- ◆ GGFI 1 included 47 centres. GGFI 7 includes 78 centres.
- ◆ GGFI is intended to:
 - Encourage financial centres to enhance the range and depth of their green finance offering.
 - Showcase best practice in green finance.
 - Foster a race to the top.



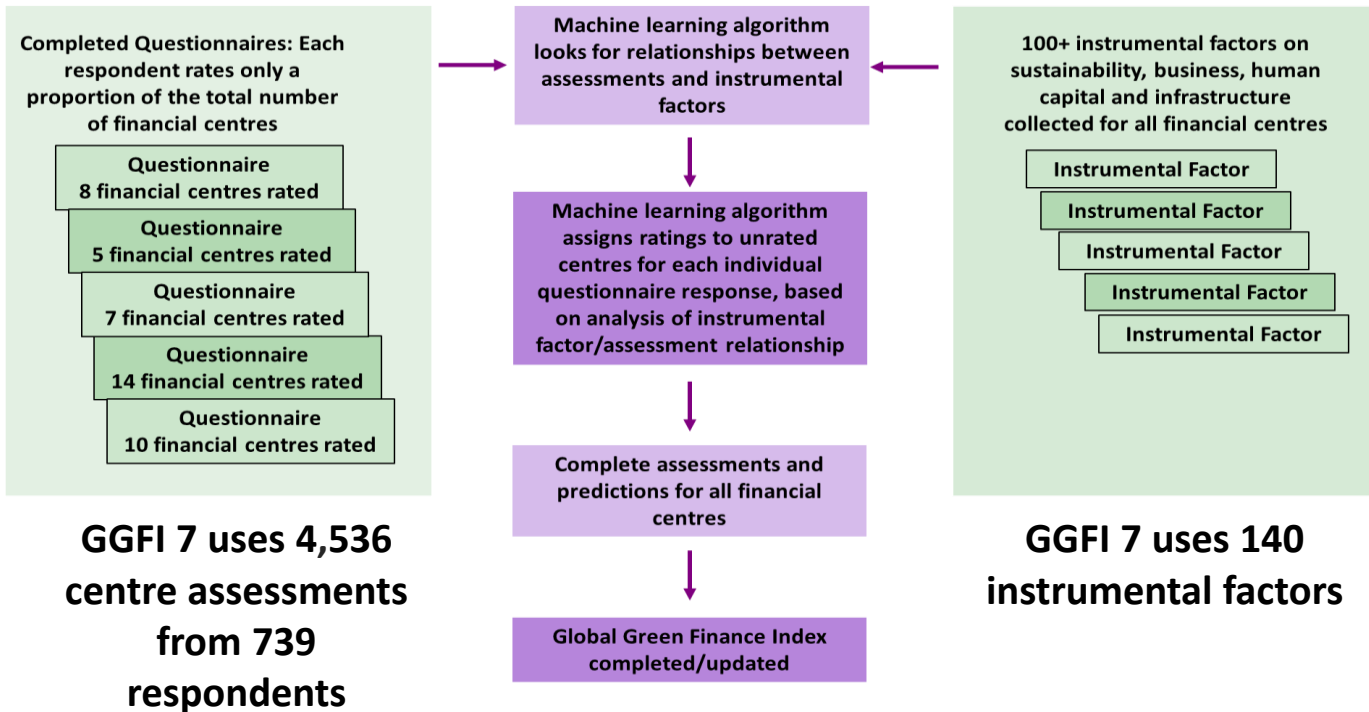
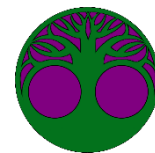
Definitions



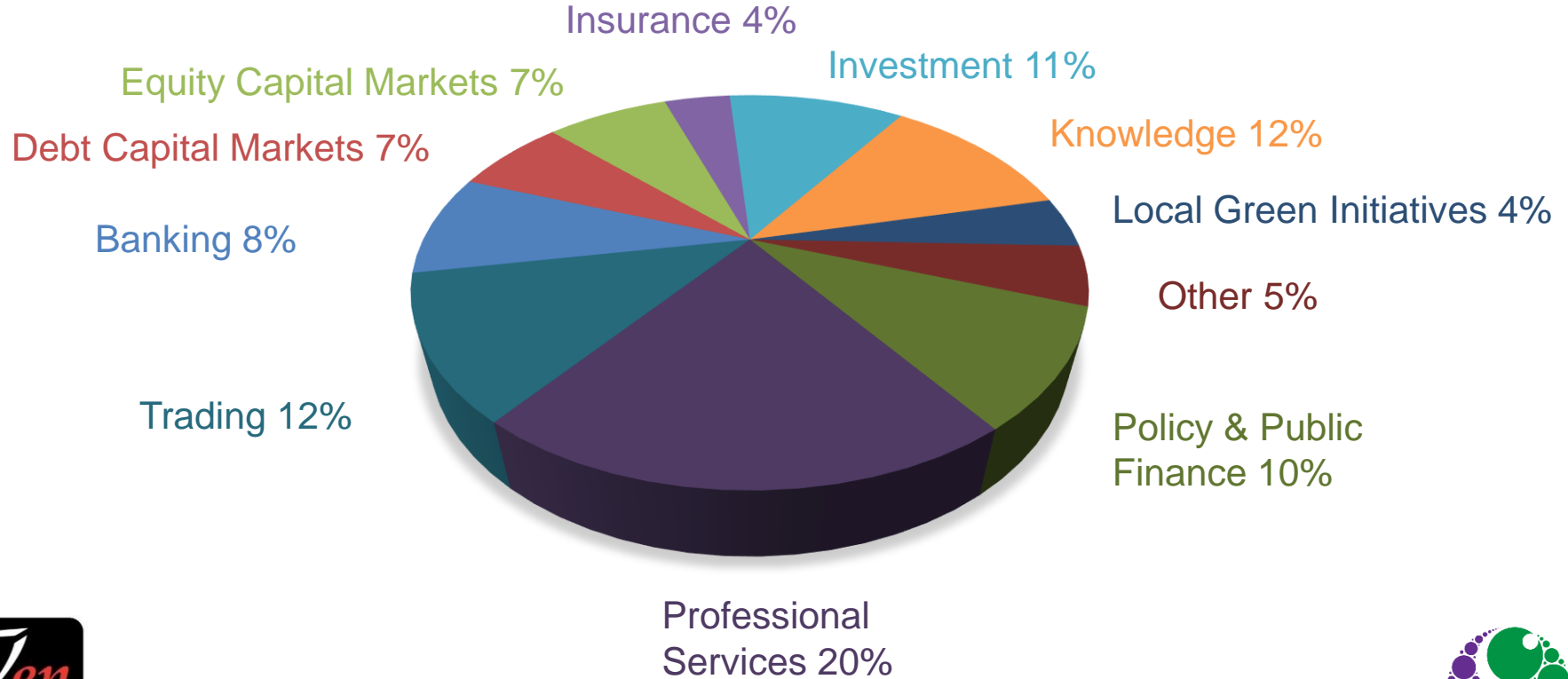
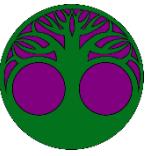
- ◆ **Financial Centres** - UNEP defines financial centres as “cities with an intense concentration of financial activity involving an interlocking set of financial sectors and transactions”.
- ◆ **Green Finance** - refers to any financial instrument or financial services activity – which results in positive change for the environment and society over the long term (sustainability). The most basic “greenness” criterion of a company or project is that it contributes to reducing the emission of Greenhouse Gases.



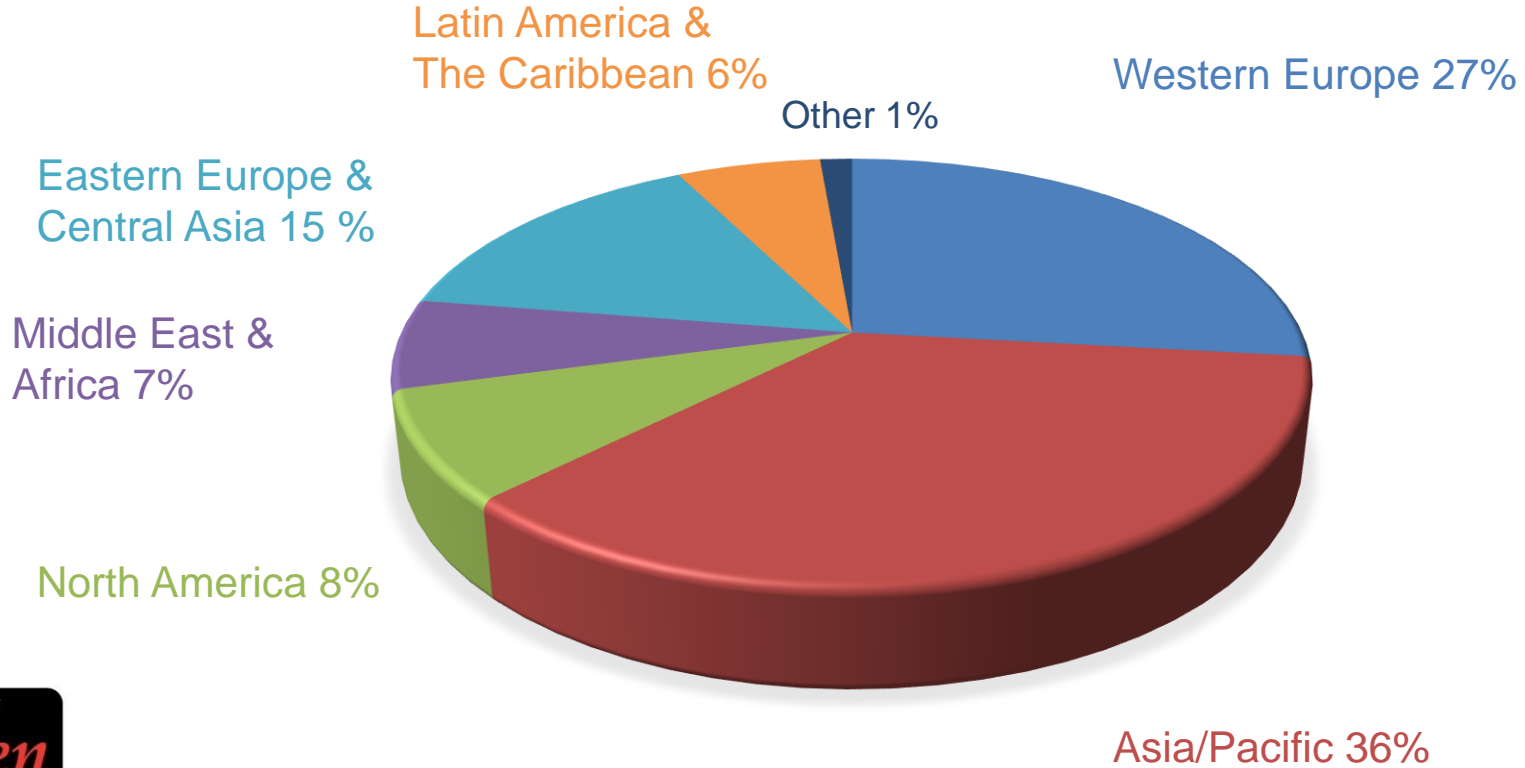
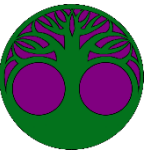
Factor Assessment Index



Respondents By Sector



Respondents By Region



Instrumental Factors



All Factors	R-Squared	Sustainability Factors	R-Squared
Global Innovation Index	0.625	IESE Cities In Motion Index	0.548
The Global Financial Centres Index	0.562	Water Quality	0.492
OECD Country Risk Classification	0.555	Sustainable Cities Index	0.479
IESE Cities In Motion Index	0.548	Quality of Living City Rankings	0.421
Corruption Perception Index	0.498	Sustainable Economic Development	0.396
Domestic Credit Provided by Banking Sector (% Of GDP)	0.494	Environmental Performance Index	0.334
Water Quality	0.492	Financial Centre Corporate Sustainability Performance	0.275
Legatum Prosperity Index	0.489	World Energy Trilemma Index	0.224
Best Countries For Business	0.487	Global Sustainable Competitiveness Index	0.182
Sustainable Cities Index	0.479	Quality of Life Index	0.132



Headlines



- ◆ Amsterdam took first place in GGFI 7, narrowly pipping Zurich to the post, with London a close third.
- ◆ San Francisco rose four places to establish itself firmly in the top 10, with Los Angeles rising eight places to enter the leader board for the first time.
- ◆ Asia/Pacific centres continued to perform strongly, with Tokyo, Beijing, Sydney, and Singapore all consolidating gains and challenging or displacing incumbents from Western Europe.
- ◆ The margins separating centres at the top of the index is narrowing. Among the top 10 centres the spread of ratings is 29 out of 1,000, compared to 51 out of 1,000 in GGFI 6.
- ◆ The mid-rankings in the index are brutally competitive, with the Latin American & Caribbean and Eastern European & Central Asia regions driven down the rankings by a resurgent Asia/Pacific and North America.
- ◆ We have changed the way the GGFI is presented. We still collect data on quality and depth, but for GGFI 7 we have combined the scores to present an overall picture of centre performance



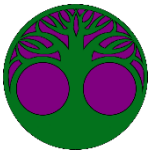
Headlines – Top Ten Centres



Centre	GGFI 7		GGFI 6		Change in		Change in	
	Rank	Rating	Rank	Rating	Rank	Rating	Rank	Rating
Amsterdam	1	567	2	573	▲	1	▼	-6
Zurich	2	563	1	576	▼	-1	▼	-13
London	3	562	3	562	▶	0	▶	0
Oslo	4	547	6	547	▲	2	▶	0
San Francisco	5	546	9	543	▲	4	▲	3
Luxembourg	6	542	4	549	▼	-2	▼	-7
Geneva	7	541	9	543	▲	2	▼	-2
Copenhagen	8	540	4	549	▼	-4	▼	-9
Stockholm	9	539	6	547	▼	-3	▼	-8
Los Angeles	10	538	18	522	▲	8	▲	16



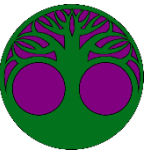
GGFI 7 Dimensions



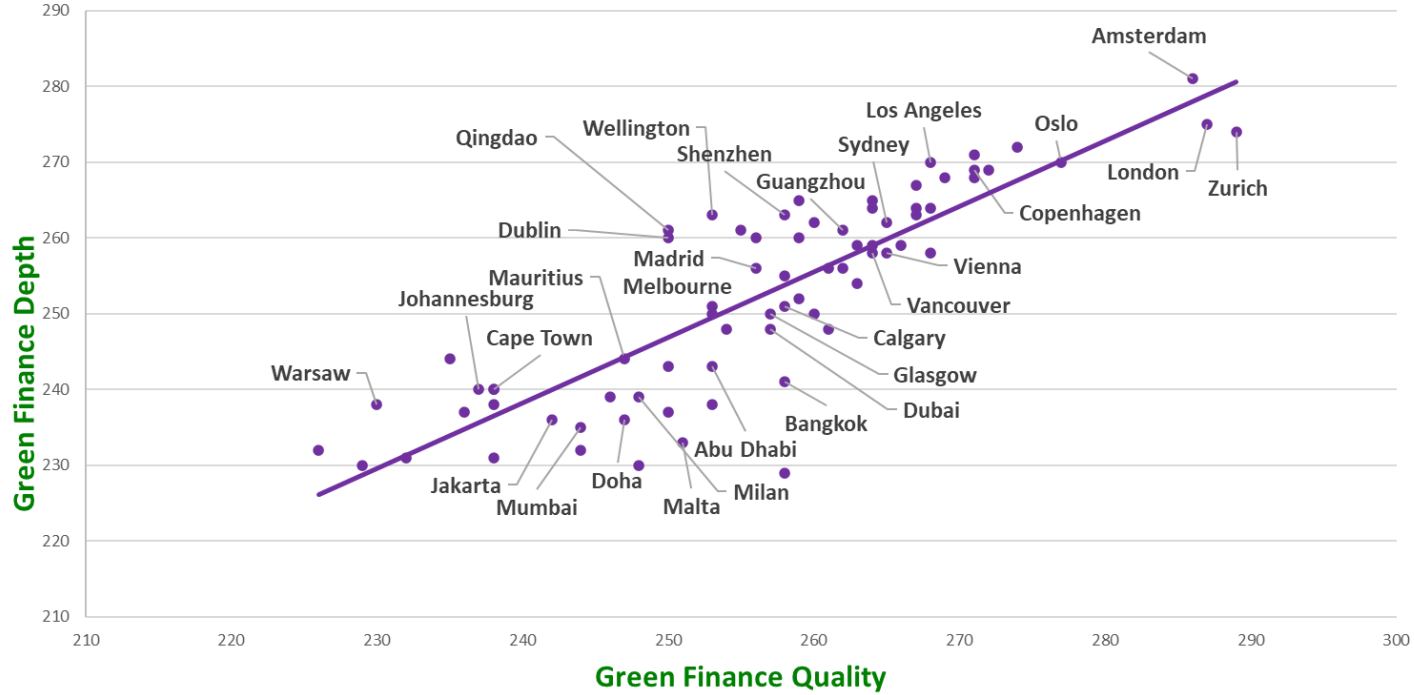
GGFI Dimensions					
GGFI 7 Rank	Centre	Green Finance Depth		Green Finance Quality	
		Rating	Rank	Rating	Rank
1	Amsterdam	281	1	286	3
2	Zurich	274	3	289	1
3	London	275	2	287	2
4	Oslo	270	6	277	4
5	San Francisco	272	4	274	5
6	Luxembourg	271	5	271	7
7	Geneva	269	8	262	6
8	Copenhagen	269	8	271	7
9	Stockholm	268	10	271	7
10	Los Angeles	270	6	268	11
11	Paris	268	10	269	10
12	Helsinki	267	12	267	14
13	Tokyo	264	15	268	11
14	Beijing	265	15	267	14
15	Munich	263	18	267	14



Relationship Between Depth & Quality



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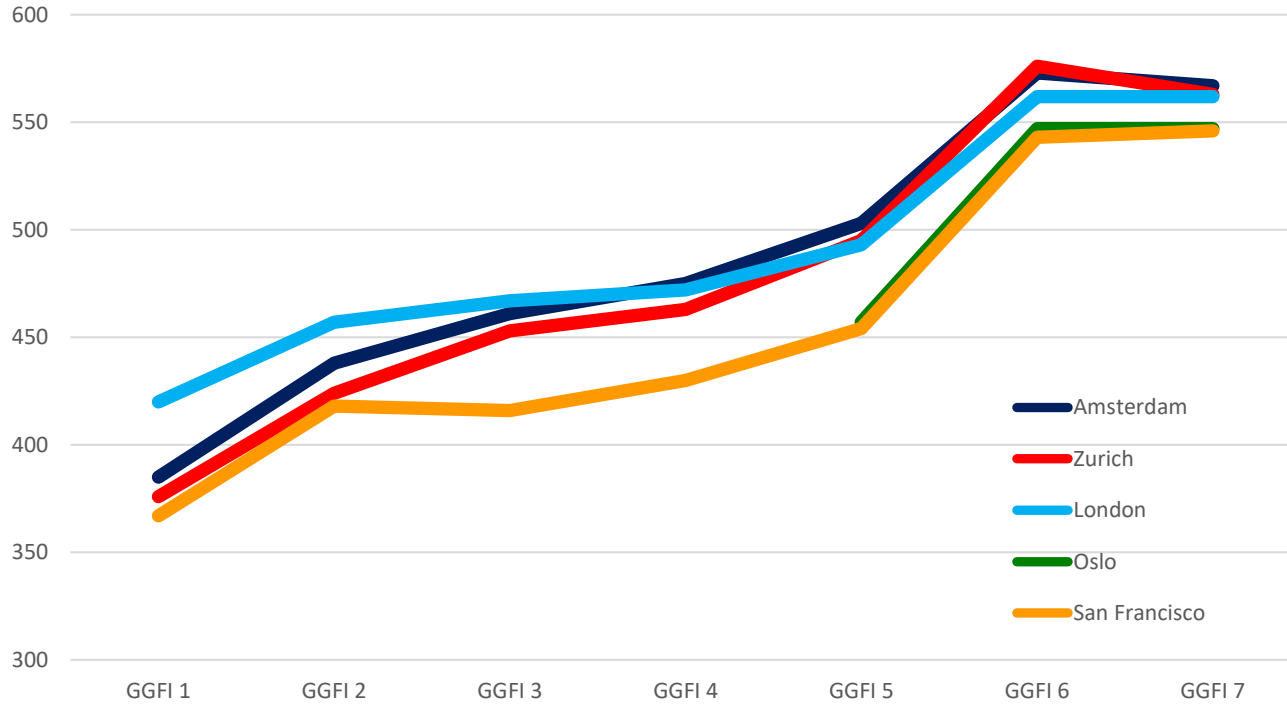
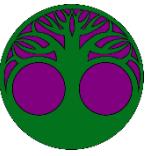
Ranking By Instrumental Factor Group



Rank	Sustainability	Business	Human Capital	Infrastructure
1	Oslo	Amsterdam	London	London
2	Zurich	London	Amsterdam	Zurich
3	London	Zurich	Zurich	Amsterdam
4	Amsterdam	Oslo	Copenhagen	Vienna
5	San Francisco	Geneva	Stockholm	Tokyo
6	Copenhagen	Stockholm	Vienna	Luxembourg
7	Helsinki	Copenhagen	Oslo	Paris
8	Geneva	Luxembourg	Luxembourg	Geneva
9	Luxembourg	Shenzhen	Geneva	Copenhagen
10	Singapore	San Francisco	Shenzhen	Osaka
11	Stockholm	Paris	Paris	San Francisco
12	Boston	Shanghai	Tokyo	Stockholm
13	Brussels	Washington DC	San Francisco	Hamburg
14	Shanghai	Tokyo	Sydney	Frankfurt
15	Washington DC	Los Angeles	Helsinki	Helsinki



Leading Centres Over Time



Headlines – Western Europe



© Z/Yen Group 2021

Centre	GGFI 7		GGFI 6		Change in	Change in
	Rank	Rating	Rank	Rating	Rank	Rating
Amsterdam	1	567	2	573	1	-6
Zurich	2	563	1	576	-1	-13
London	3	562	3	562	0	0
Oslo	4	547	6	547	2	0
Luxembourg	6	542	4	549	-2	-7
Geneva	7	541	9	543	2	-2
Copenhagen	8	540	4	549	-4	-9
Stockholm	9	539	6	547	-3	-8
Paris	11	537	8	545	-3	-8
Helsinki	12	534	13	526	1	8



Headlines – Asia/Pacific



Centre	GGFI 7		GGFI 6		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Tokyo	13	532	18	522	5	10
Beijing	14	531	20	521	6	10
Shanghai	17	528	15	524	-2	4
Sydney	18	527	20	521	2	6
Singapore	20	525	24	512	4	13
Seoul	22	523	31	505	9	18
Guangzhou	22	523	24	512	2	11
Shenzhen	28	521	27	509	-1	12
Osaka	30	518	36	499	6	19
Busan	31	517	New	New	New	New



Headlines – North America



Centre	GGFI 7		GGFI 6		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
San Francisco	5	546	9	543	4	3
Los Angeles	10	538	18	522	8	16
Montreal	19	526	14	525	-5	1
Washington DC	21	524	29	508	8	16
Vancouver	25	522	11	530	-14	-8
Boston	25	522	33	504	8	18
Toronto	29	519	27	509	-2	10
New York	31	517	34	501	3	16
Chicago	36	513	38	491	2	22
Calgary	42	509	42	485	0	24



Headlines – Eastern Europe & Central Asia



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Centre	GGFI 7		GGFI 6		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Nur-Sultan	57	485	New	New	New	New
Almaty	62	478	New	New	New	New
Prague	67	476	58	459	-9	17
Moscow	71	469	68	436	-3	33
Warsaw	72	468	72	432	0	36
Istanbul	74	459	68	436	-6	23



Headlines – Latin America & The Caribbean



Centre	GGFI 7		GGFI 6		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Sao Paulo	60	479	61	450	1	29
Cayman Islands	69	473	61	450	-8	23
Mexico City	73	463	66	438	-7	25
Rio de Janeiro	76	458	74	419	-2	39
British Virgin Islands	77	456	66	438	-11	18
Bermuda	78	455	68	436	-10	19



Headlines – Middle East & Africa



Centre	GGFI 7		GGFI 6		Change in Rank	Change in Rating
	Rank	Rating	Rank	Rating		
Casablanca	33	516	24	512	-9	4
Dubai	45	505	55	466	10	39
Tel Aviv	48	502	48	473	0	29
Abu Dhabi	50	496	71	434	21	62
Mauritius	52	491	52	469	0	22
Doha	59	483	73	429	14	54
Cape Town	62	478	57	462	-5	16
Johannesburg	66	477	63	449	-3	28
Bahrain	67	476	New	New	New	New



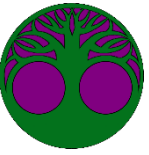
GGFI 7 Conclusions



- ◆ Green finance continues to grow in popularity: ratings of green finance rose in nearly all centres for both depth and quality
- ◆ Policy matters – not just through its direct effect on green finance: Where a city is showing leadership on clean water, clean air, public transport, and “liveability”, green finance is strong
- ◆ There is no room for complacency at the top - Asia/Pacific and North American centres are closing rapidly on the top 10.



Unlocking Private Capital



Dr Andy Sloan
Chair
Guernsey Green Finance



Guernsey – at the forefront of sustainable finance



Growing demand



SURVEY RESULTS



THE SCALE OF THE PROBLEM IS UNDERESTIMATED...

To provide context to the issue, we asked, according to the Intergovernmental Panel on Climate Change (IPCC), how much is investment in low carbon energy systems is required in the next 20 years to limit global warming to 1.5C above pre-industrial levels?

The true figure is 2.2% of global GDP. Our respondents incorrectly planned for the responses of either between zero and 0.5%, 0.5% and 1.0%, and 1.0% and 1.5%. The poll, taken a couple of months before Extinction Rebellion grabbed the headlines in April, also suggests practitioners in the private equity industry were unaware of the scale of the task of climate change mitigation or the size of the commercial opportunity presented by climate finance.

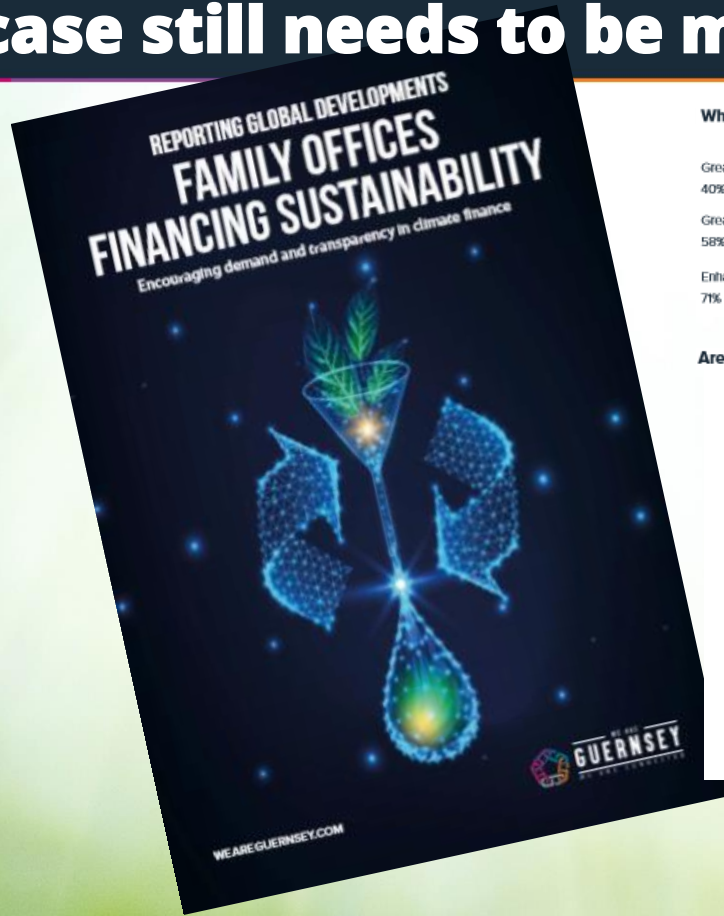


... BUT INVESTMENT AND APPETITE IS BUILDING

Approximately three-quarters of our respondents indicated that they (or their clients) had increased their exposure to green and sustainable investments over the last three years. More encouraging still, our respondents were unanimous in indicating that their firms are looking to increase their exposure in the future.



But the case still needs to be made



What are the factors which would assist you in pursuing green investment?

Greater accessibility of product



Greater clarity of green credentials



Enhanced prospect of improved returns



Are you considering increasing your asset allocations in these areas?



Yes (51%)

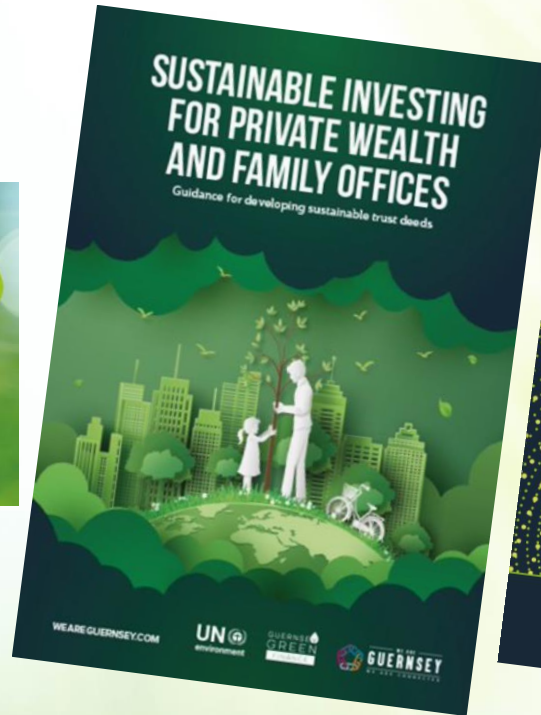
No (49%)

Products, tools & guidance

A WORLD FIRST

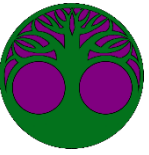
Green & sustainable finance strategy:
At the forefront of the development of
green & sustainable finance.

GUERNSEY
GREEN
FUND

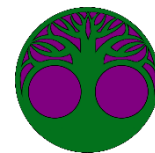


Commentary

Professor Michael Mainelli
Executive Chairman
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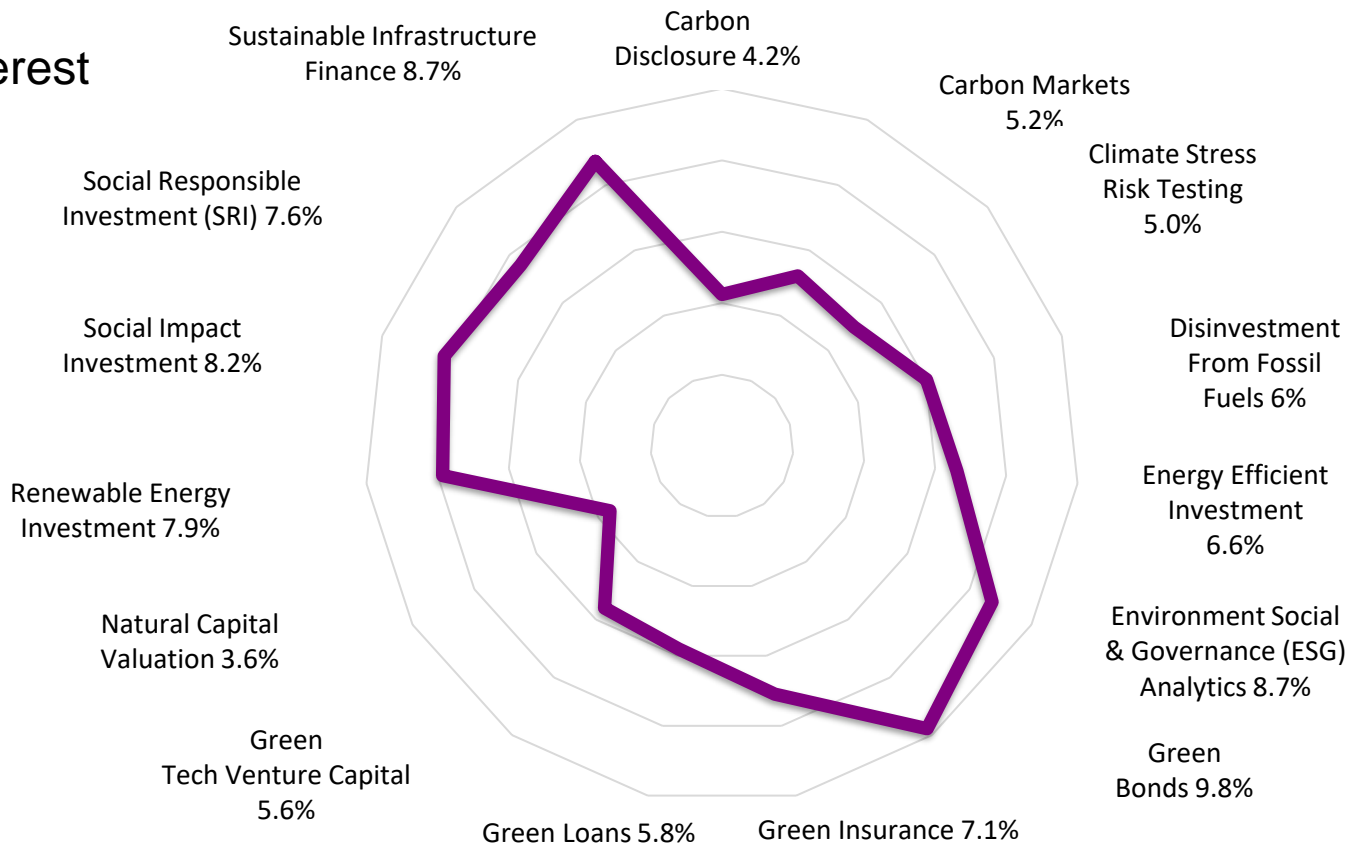


What Is On Practitioners' Minds?

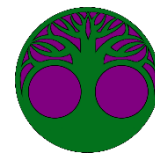


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Areas Of Interest

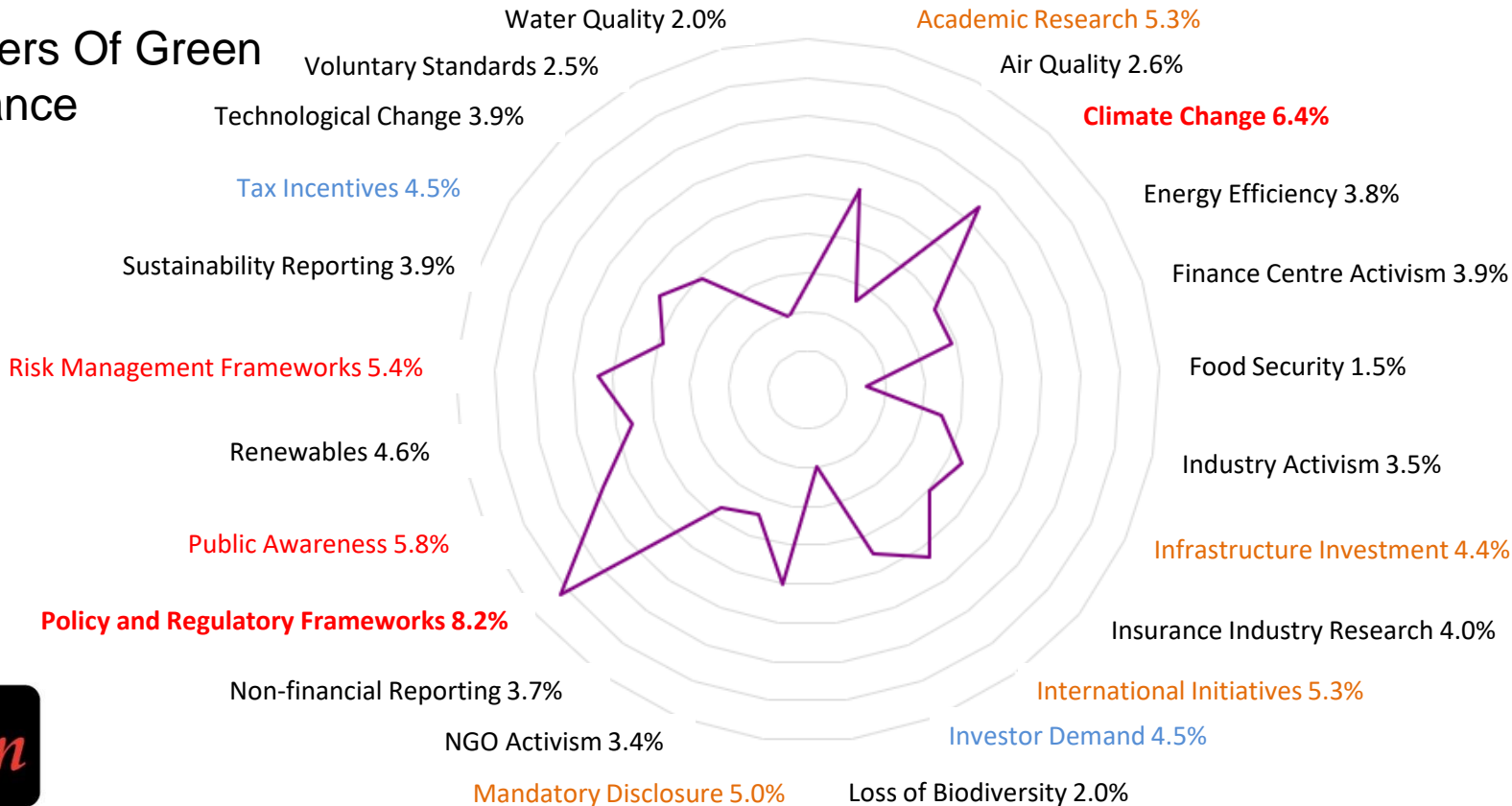


What Is On Practitioners' Minds?



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Drivers Of Green Finance



COP 26



UN Framework Convention On Climate Change Conference of the Parties (COP)

- **1997 COP 3** resulted in the **Kyoto Protocol** – binding reduction obligations, emissions trading.
- **In 2015 COP 21** resulted was the **Paris Agreement** – national plans to mitigate CO₂.

Cop 26

- All countries need to submit their new long-term goals for mitigation.
- Will finish the work that COP25 was unable able to conclude such as setting out the rules for a carbon market between countries.
- First real test of the Biden presidency's stated aim of enhanced action on climate change.



High Stakes



Economic turmoil caused by Covid-19

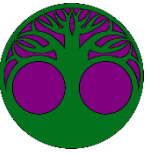
- Which path to take on the road to recovery – bad times for big oil, or good time to burn carbon?
- Can financial services provide the right tools?
- Bonds, loans, green QE, low carbon green growth or business as usual?
- Will government interventionism push private capital out?

Will COP26 Deliver?

- International carbon trading or border carbon taxes?
- Resistance from fossil fuel reliant nations?
- China and US cooperation – can they reach a deal?



Agenda



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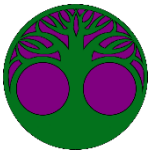


Ranking The World's Green Financial Centres



www.greenfinanceindex.net

GGFI 8 October 2021



Global Green Finance Index Rating The World's Green Financial Centres

Take part:

www.greenfinanceindex.net/survey/

