

Sustainability

The Third Dimension of Investment?

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upstream
strategies for sustainable futures





Sustainability – The Third Dimension of Investment?

- The Matter of “Value”
- New Risks
- Investor Response



The Matter of “Value”

- The economic realm
- The social and environmental context
- The relationships between all three



New Risks



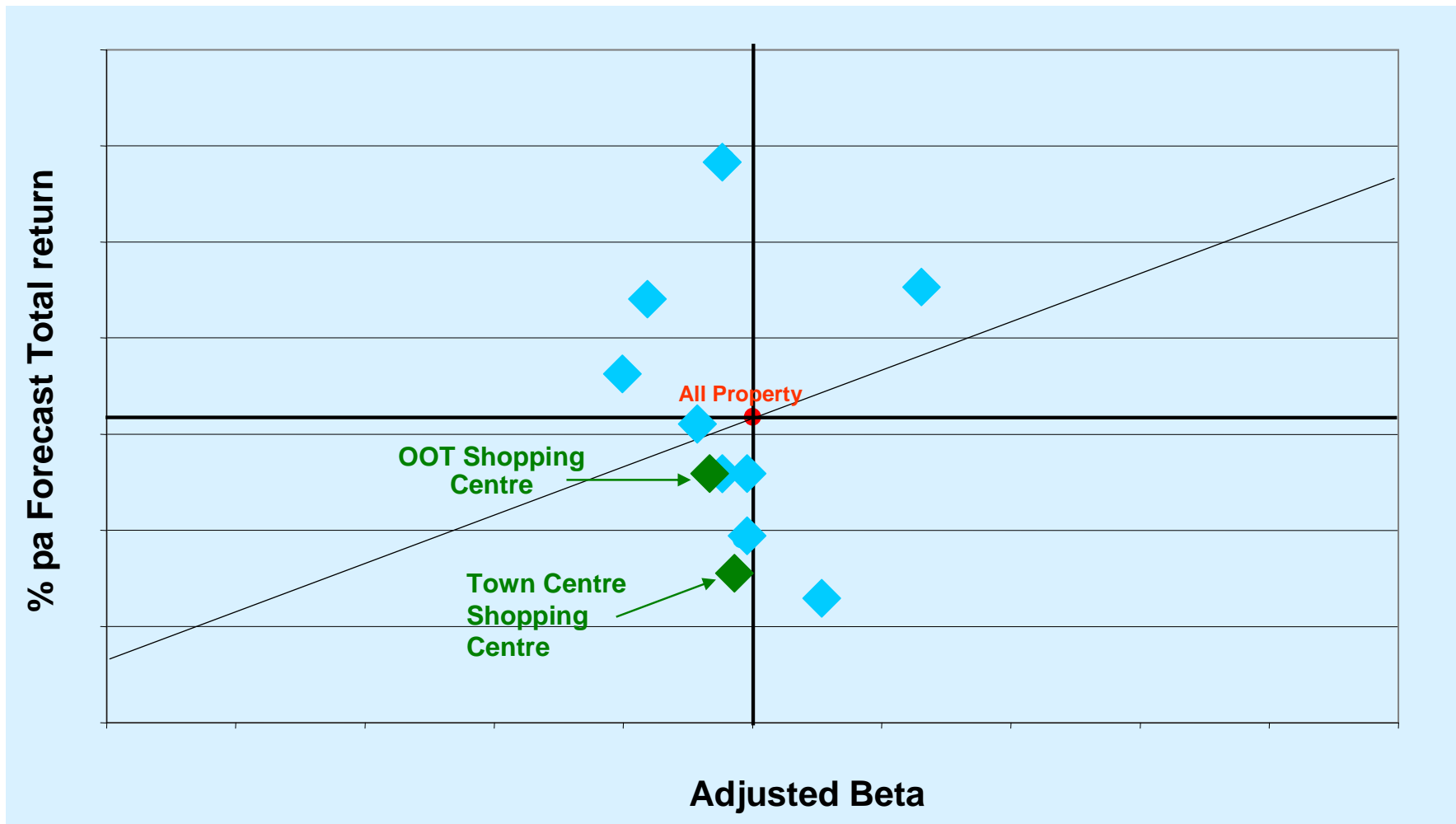
A Response by Investors: The Third Dimension



The Third Dimension

1. Return
2. Risk
3. Sustainability Score

The first two dimensions: Risk v Return



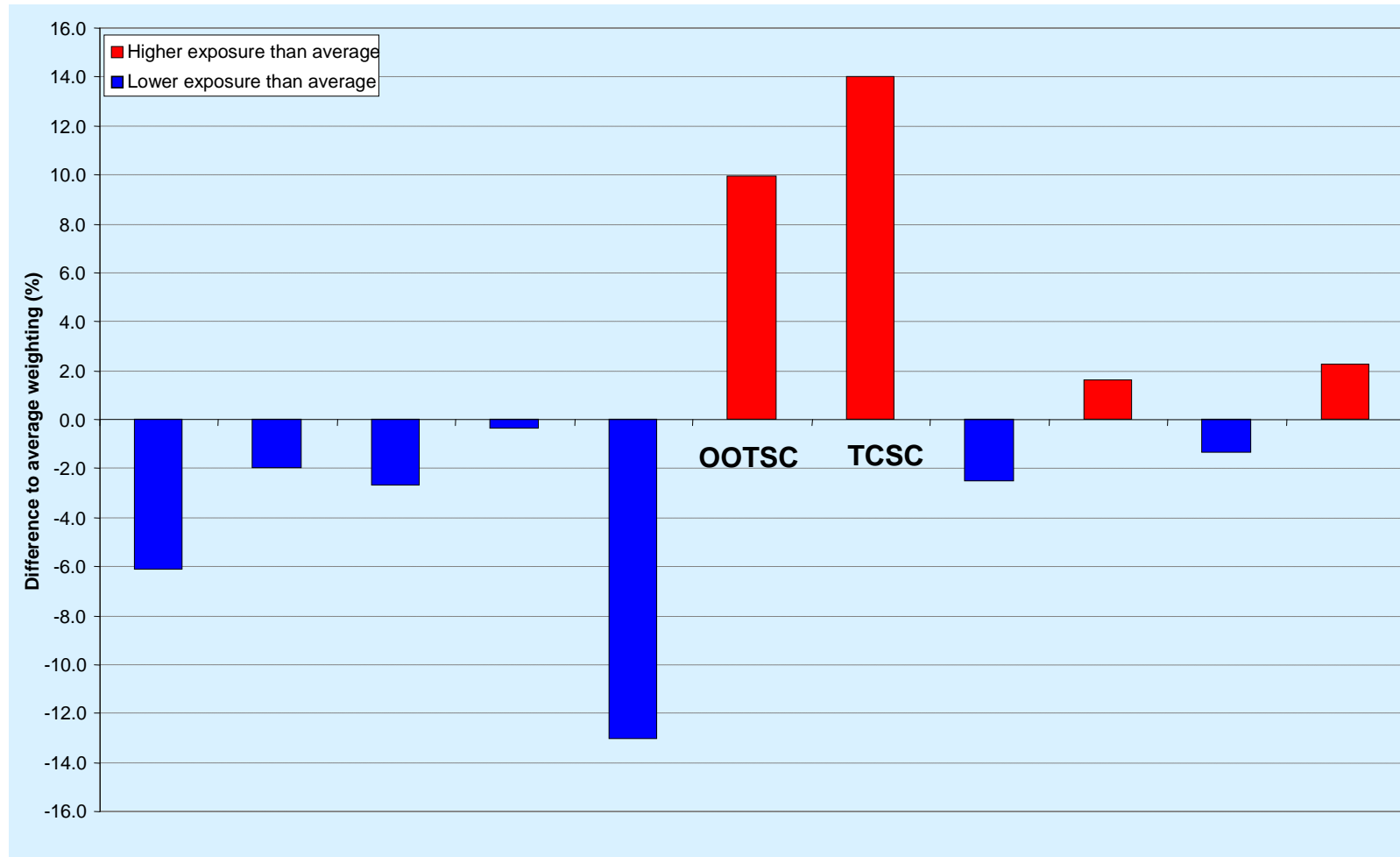
Sustainability vs. Risk Adjusted Return by property type



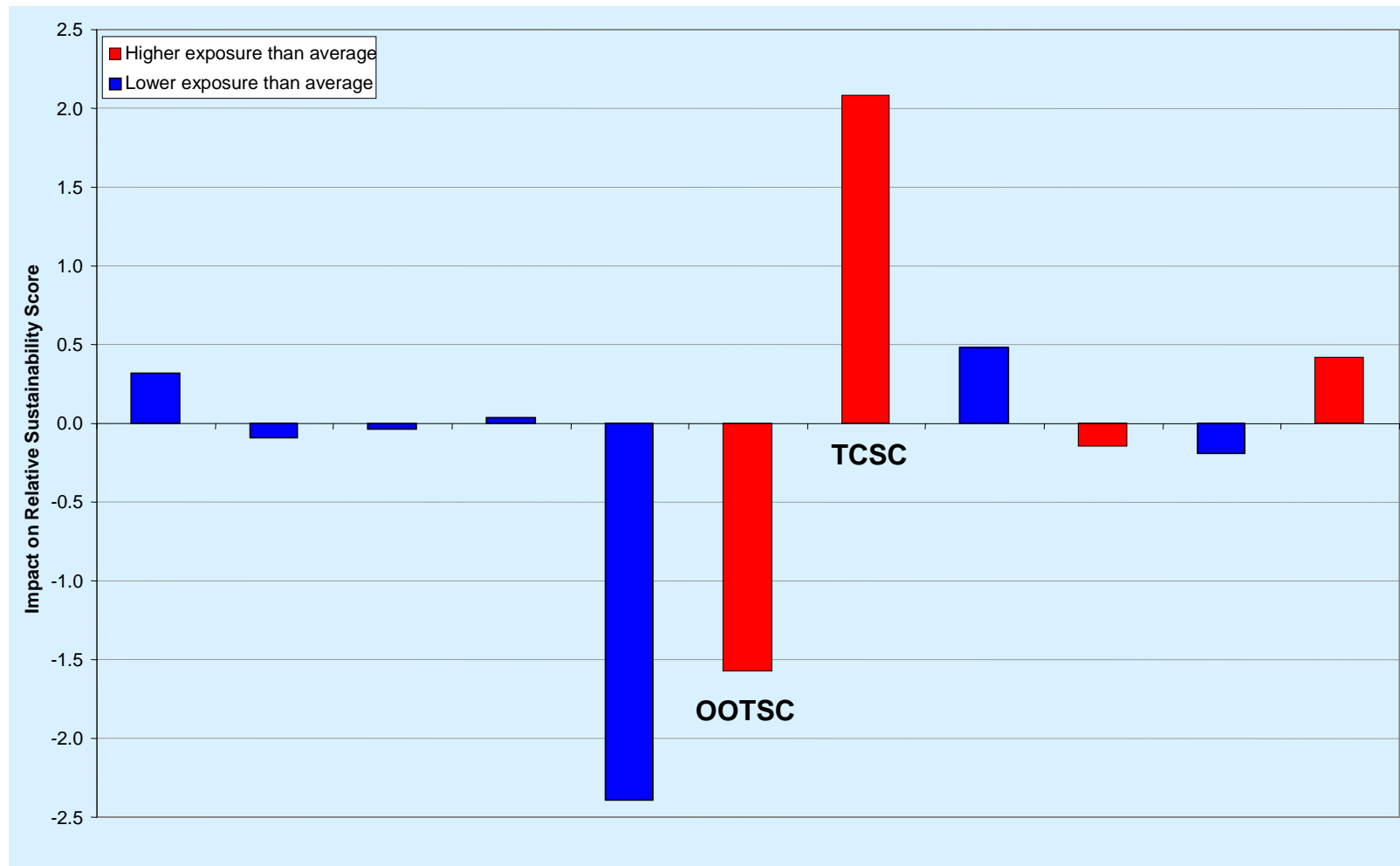
Fund v Peers




Asset Allocation



Sustainability Score Impact

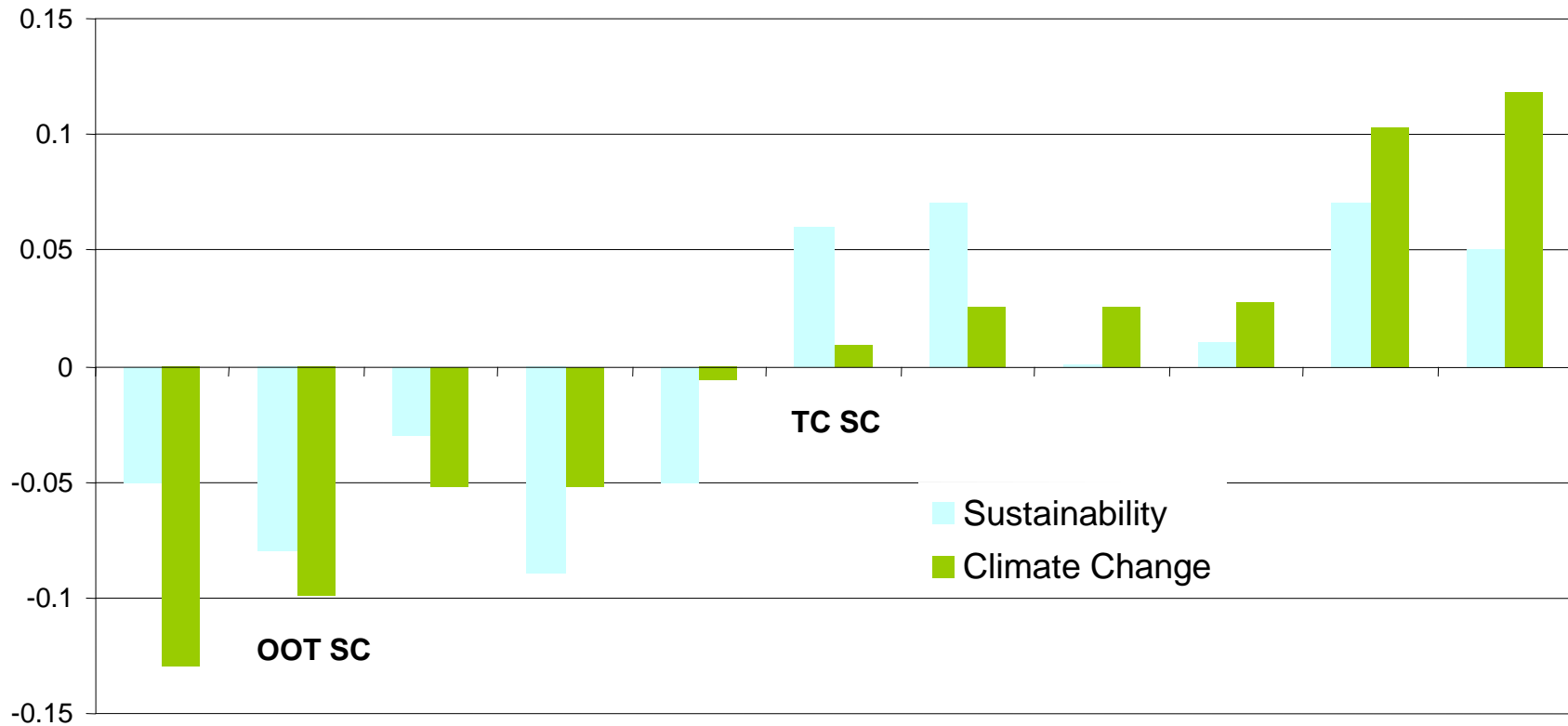




Climate Change – the key factors

- Minimising pollution
- Reducing resource consumption
- Reducing transport emissions

Climate Change versus Sustainability





Conclusions

- The future is not the past
- There is a new dimension of risk
- Investors must/will respond
- Climate Change is the major issue
- These are Issues that determine whether or not **VALUE** will be **SUSTAINED**