Reporting on performance indicators did not improve, halving the trend seen last year, primarily because half of the asset participants were new, and existing participants continued to improve their performance reporting.

**INTENSITY - TOWARDS STANDARD PERFORMANCE METRICS**

1. **ENERGY**
   - Energy intensity: Energy Consumption / output (MWh/output)
   - Energy intensity (scope 1 & 2): Energy Consumption / output (MWh/output)

2. **GHI EMISSIONS**
   - GHG intensity: GHG (scope 1 & 2) / GAV (tCO2e/$)
   - GHG intensity (scope 1 & 2): GHG (scope 1 & 2) / GAV (tCO2e/$)

3. **WATER**
   - Water intensity: Water Consumption / output
   - Water intensity (scope 1 & 2): Water Consumption / output

4. **WASTE**
   - Waste intensity: Total Waste disposed / GAV
   - Waste intensity (scope 1 & 2): Total Waste disposed / GAV

**PERFORMANCE TARGETS - ROOM FOR IMPROVEMENT**

To drive performance improvement, it is good business practice to set targets and track performance. For Energy and GHG emissions, whilst over half of participants are measuring performance, only 15% are setting legitimate targets and only 12% reported achieving the 2017 target. On the other hand, participants as an overall average beat their 2017 Energy and GHG emissions targets by 1.3% and 1.8% respectively.

**FIRST DATA ON SECTOR CARBON INTENSITIES**

**REGIONAL GRESB SCORE AND COVERAGE**

Now in its third year, participation in the infrastructure assessment has reached critical mass, with strong growth - a 75% increase in assets and 17% for funds compared to last year. It is also promising that there is still plenty of room for improvement, with only 10% of funds obtaining a GRESB Fund Score. The ultimate measure of Fund ESG performance for investors.

In terms of regions, participants grew across all regions with Europe growing the most, now making up just over half of participants by gross asset value (GAV), followed by North America (26%) and Australia/NZ (18%).

To learn more about GRESB, visit gresb.com/gresb-infrastructure.
Funds improving in almost all areas

- Sustainable investment objectives
- Policies on ESG issues
- Commitment to ESG standards or principles
- Individual/s responsible for ESG issues
- Senior decision-maker accountable for ESG issues
- ESG risks and/or opportunities in investment processes
- Collection of ESG management and performance information for its assets
- Disclosure of ESG actions and/or performance
- Third party review of ESG disclosure
- Monitoring of ESG-related misconduct, penalties, incidents and accidents

Objectives:

- Implementation of ESG risks and/or opportunities in investment monitoring processes
- Improved reporting on ESG performance of more than 50% of existing investments
- Integration within business strategy
- Policies on ESG issues
- Commitment to ESG standards or principles
- ESG performance of portfolios in line with business strategy

Most funds have sustainable investment objectives

- 92% of funds implementing sustainable investment objectives
- 80% of funds integrating objectives within the business strategy
- 84% of funds reviewing ESG or and/or sustainable investment policies
- 52% of funds integrating reporting on ESG issues (e.g., calculating carbon footprints)
- 47% of funds with objectives leading to key performance indicators (KPIs)
- 43% of funds implementing external ESG standards and/or groups (e.g., GRI standards)
- 43% of funds implementing external ESG standards and/or groups (e.g., GRI standards)
- 25% of funds implementing exit strategy from certain investments
- 21% of funds implementing adjustment to ESG risk materiality thresholds

Funds improve their disclosure but not assets

- 50% of funds in the top 25% of asset scores have increased their relative disclosure
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Asset performance continues to improve but could do better

- 50% of funds in the top 25% of asset scores have increased their relative performance
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ESG performance of assets improved from 43% to 49% in 2018

- Average scores for reporting increased from 46 to 49 while management & policy actually decreased slightly from 52 to 49 showing that more emphasis might be put on the implementation side this year.

Incentivised people drive better ESG performance

- 92% of funds in the top 25% of asset scores have increased their relative performance
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SECTOR SCORES ‘RE-BALANCED’

- 100% of sectors improved from 2017
- 50% of sectors improved by at least 10% from 2017
- 50% of sectors improved by at least 10% from 2017
- 50% of sectors improved by at least 10% from 2017

Materiality approach strongly supported

- 92% of funds in the top 25% of asset scores have increased their relative performance
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In addition to the graphical representation, the text provides insights into the performance of funds and assets, focusing on improvements in sustainable investment objectives, disclosure, and performance. It highlights the importance of incentivised people driving better ESG performance and the re-balancing of sector scores.