

Generation Investment Management LLP Launches Just Climate to Seek to Address the Global Net-zero Emissions Challenge

New investment business seeks to deliver positive, timely climate impact at scale by focusing on investments in projects and companies in hard to abate sectors and geographies.

Microsoft Climate Innovation Fund, Ireland Strategic Investment Fund, IMAS Foundation, Harvard Management Company, Imprint Group of Goldman Sachs Asset Management and Hall Capital Partners join as founding strategic partners.

Shaun Kingsbury CBE, formerly CEO of UK Green Investment Bank, appointed Chief Investment Officer.

Generation Senior Partner David Blood to serve as Chairman.

Generation Chairman Al Gore to serve as Chairman of the Climate Impact Advisory Group.

LONDON, 27 OCTOBER 2021

Just Climate, an investment business dedicated to climate-led investing, launched today founded on the belief that, such is the scale and urgency of the climate crisis, capital going into climate solutions must now go deeper and broader. Just Climate has the mission of limiting global temperature rise to 1.5 degrees Celsius (1.5C), by directing and scaling capital towards the most impactful climate solutions. Simultaneously, it aims for capital markets to incorporate climate considerations alongside risk and return.

For Just Climate, climate-led investing is an investment approach that seeks to catalyse timely positive climate impact at scale, while aiming to deliver appropriate risk-adjusted returns. Established by Generation Investment Management, a pure-play sustainable investment manager founded in 2004, Just Climate seeks to catalyse and channel capital into companies and projects that have the potential to deeply decarbonise our economy, but that are not yet fully served by traditional investment mandates. While effective climate solutions exist in almost every sector, Just Climate believes many are still largely ignored by investors on the basis that they are often too capital-intensive, unproven at scale or in challenging geographies.

Just Climate aims to close the climate impact gap by focusing on what it believes are the most impactful climate solutions that are permanent, additional, timely and at a climate-relevant scale. Just Climate will also seek to help institutional investors provide sufficient quantity of capital to close the climate finance gap, estimated by the United Nations to be USD 3 trillion per annum through 2050 to reach net zero.

Just Climate's team integrates experienced Generation colleagues with a new set of fully dedicated team members. Former U.S. Vice President and Generation Investment Management Chairman Al Gore will chair Just Climate's Climate Impact Advisory Group. David Blood, Senior Partner of Generation, will be Chairman of Just Climate. Colin le Duc, a Founding Partner of Generation, will serve as Vice Chairman. Shaun Kingsbury CBE, formerly CEO of UK Green Investment Bank, has joined Just Climate as Chief Investment Officer. The Management Committee also comprises Puja Jain, Partner at Generation, and former Generation team members Vivian Bertseka and Sebastian Cameron, who will serve as Chief Operating Officer and General Counsel respectively.

Alongside Generation, the new company is backed by a consortium of founding strategic partners, including: Microsoft Climate Innovation Fund, Ireland Strategic Investment Fund (ISIF), IMAS Foundation, Harvard Management Company, Imprint Group of Goldman Sachs Asset Management, and Hall Capital Partners and its clients.

Al Gore, Chairman of Generation Investment Management, said: "The sustainable investment industry has grown rapidly in recent years, a welcome development that gives the world a better chance of creating a net-zero, prosperous, equitable, healthy and safe society. However, the climate crisis now demands an increase in the speed and scale of our collective actions by accelerating our current efforts and at the same time innovating new climate financing models. As a sector, we urgently need to seriously rethink how capital is allocated in order to deliver real progress toward the net-zero commitments we have made. Just Climate aims to prioritise impact, to challenge conventional thinking and to inspire the sort of innovations that are now required for us to overcome the climate challenges ahead of us."

David Blood, Senior Partner of Generation Investment Management, said: "While significant capital is flowing into climate solutions today, it is not enough nor is it flowing to all of those places that it needs to be. Just Climate has been founded to do the hard yards of addressing the most difficult to decarbonise segments of the global economy that investors have ignored until now. We believe our investments will have the potential to unlock these transition opportunities and mobilise further capital flows from the rest of the market."

Shaun Kingsbury CBE, Chief Investment Officer of Just Climate, said: "Just Climate is a platform that can play a critical role in financing those typically asset-heavy parts of the climate transition. Backed by the operational and research capability of Generation, we are building a global, institutional strength business to enable large-scale capital deployment. We hope our strategies will be differentiated by the magnitude, timeliness, and quality of impact they generate and by the returns we aim to produce. Since its launch in 2004, Generation has played a significant role in the development of the sustainable investment industry which I have admired from afar. I am therefore delighted to be playing a part in this latest initiative which we hope will play a similarly pioneering role in the establishment of climate transition investing as an asset class in its own right."

Just Climate intends to invest globally in catalytic climate solutions across energy, transport, industry and buildings as well as natural climate solutions, food, agriculture and oceans.

Just transition considerations, including the need to ensure that the benefits of a green transition are shared widely, will be integrated throughout Just Climate's investment process. Specifically, it will consider several dimensions of a just transition: respect for human rights, preservation of land ownership and local resources, impact on local pollution and health, provision

of fair jobs and livelihoods, contribution to quality of life and opportunities, equitable distributional outcomes, preservation of cultures and traditions, community self-determination and political voice, and capacity for climate adaptation.

Just Climate believes that working in partnership with others is essential to delivering on its mission, and is considering a wide range of partnerships. One example from the range of partnerships being explored is a collaboration with the World Resources Institute to support their further development of the open-source Systems Change Lab, a resource for the broader investor community and other decision-makers to understand the state of progress towards necessary transformations to limit warming to 1.5C.

Lucas Joppa, Chief Environmental Officer, Microsoft, said: “If the world is to successfully address the climate crisis, we need to build the supporting financial infrastructure to accelerate a net-zero economy. Through a combination of capital, a climate-led strategy, and both private and public sector partnerships, Just Climate aims to help enable a greater diversity of climate solutions while accelerating the development of markets that support those solutions’ procurement. Through this partnership, we look forward to helping grow areas of work that will aid in the global need to decarbonise and act as powerful assets in the fight against climate change.”

Paul Saunders, Head of Climate, Ireland Strategic Investment Fund, said: “ISIF sees this as a real opportunity to accelerate the transition to net zero – not just in Ireland but world-wide. We are excited to build on our long-standing partnership with Generation by supporting the creation of the Just Climate investment platform. The extent and urgency of the climate challenge require ISIF and other major investors to work together to drive innovation in climate action. We believe this initiative is a major step forward in sustainable investing and increasing the capital available to target high-impact areas in the shift to a low-carbon economy. As Ireland’s sovereign development fund with a significant ambition to address the climate challenge and a mandate that aligns with this platform, we are proud to be a part of it.”

Notes to editors:

IMAS Foundation is a sister foundation to the INGKA Foundation, the owner of INGKA Group which owns and operates the majority of IKEA stores globally.

This press release is issued and approved by Generation Investment Management LLP, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom with Firm Reference Number 402126. Just Climate LLP is a subsidiary and Appointed Representative of Generation Investment Management LLP with Firm Reference Number 953604. Not for distribution in the US.

About Just Climate

Just Climate is an investment business dedicated to climate-led investing to address the net-zero challenge at scale. Our ambition is to identify and invest in high-impact solutions for climate mitigation, as well as to catalyse and multiply capital to scale them. We seek to harness the power of institutional capital to accelerate, and to set a new standard for, climate-led investing.

For further information, please visit www.justclimate.com or ‘Just Climate’ on LinkedIn.

About Generation Investment Management

Generation Investment Management LLP is dedicated to long-term investing, integrated sustainability research and client alignment. It is an independent, private, owner-managed partnership established in 2004 and headquartered in London, with a US presence in San Francisco, with more than USD 36 billion of assets under management (as at 30 September 2021).

For further information, please visit www.generationim.com.