



For immediate release

New Benchmark Shows Impact Investments in Energy Reduce Greenhouse Gas Emissions (GHGs) While Boosting Energy Production

The new energy impact performance benchmark from the Global Impact Investing Network (GIIN) provides insights on impact performance across energy investments and allows investors to compare performance against peers on an anonymized basis.

NEW YORK, November 7, 2023 — Impact investments in the energy sector decrease scopes 1 and 2 carbon dioxide emissions at the median by 6.1% annually, according to the GIIN. This insight comes from the GIIN's newest benchmark, focused on the energy sector, which was released on the [GIIN's IRIS+ platform](#) today. The benchmark represents a dynamic sample of over 270 annualized impact investments. It was developed by the [GIIN Impact Lab](#) and a benchmark design team of 20 leaders in energy impact investing.

The energy benchmark joins agriculture and financial inclusion as the latest addition to the GIIN's series of impact performance benchmarks. 91% of impact investors indicate that an inability to compare their own impact results to peers is a challenge, as reflected in the [2023 GIINsight research series](#). These decision-useful benchmarks fill a significant gap in impact intelligence infrastructure.

Amidst a growing climate crisis and increasing global interest in a just energy transition, the energy sector attracted the greatest proportion of impact assets under management according to the 2023 GIINsight research. Now, with the energy benchmark tool, investors can compare their performance against their peers on an anonymized basis, the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement to strengthen impact decision-making. This will enable investors to more effectively and efficiently direct capital toward investment opportunities that accelerate the transition to clean energy and increase energy access.

"Across all sectors, energy receives the greatest proportion of impact investment capital. The energy benchmark empowers investors to make better informed decisions by assessing impact performance compared to peers and global development goals," said **Amit Bouri, CEO and co-founder of the GIIN**. "We hope to see the energy benchmark drive competition that delivers greater benefits for people and the planet such as increased energy access, improved energy efficiency and reduced greenhouse gas emissions."

To limit global warming to 1.5 degrees Celsius, greenhouse gas emissions need to decrease by 6.8% annually, in line with the International Panel on Climate Change's recommendation. As of the press release date, energy impact investments in the benchmark cut scopes 1 and 2 carbon dioxide emissions



by 6.1% at the median, demonstrating notable progress on the goal and underscoring that impact investors are well-positioned to drive the more aggressive action needed to reach it. The energy impact performance benchmark can help investors allocate capital where it's needed most.

The benchmark also shows that impact investments in the energy sector advance SDG 7, energy access for all. Nearly one in 10 people globally lack access to electricity, according to the [United Nations Development Program](#), and a 7.7% annual increase in energy production is needed to close the gap, the GIIN's analysis finds. Impact investments significantly outperform that target with a median 26.7% increase in kilowatt-hours each year, helping improve global energy costs, access and reliability.

The energy benchmark allows investors to compare their impact performance to peers on an anonymized basis and their progress toward broader climate and social goals using customized filters. As a dynamic tool, data points will change when new annualized impact investments are added. As more investors contribute, the information available in the benchmark will grow and unlock deeper insights.

The GIIN will continue to develop benchmarks to provide decision-useful tools to impact investors. Work is now starting for benchmarks in the forestry and healthcare sectors, to be released in 2024. To learn more about being represented in the GIIN benchmarks, contact research@thegiin.org.

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About the Global Impact Investing Network (GIIN):

The Global Impact Investing Network (GIIN) is the global champion of impact investing, dedicated to increasing the scale and effectiveness of impact investing around the world. Impact investments are investments made into companies, organizations and funds with the intention to generate positive, measurable, social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market to market rate, depending upon investors' objectives. The GIIN builds critical infrastructure and supports activities, education and research that help accelerate the development of a coherent impact investing industry. For more information, please visit www.thegiin.org.



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