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Chapter Title: Seeking Greener Pastures: Exploring the impact for investors of ESG integration in the Infrastructure Asset Class

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Abstract: In recent years the conditions for infrastructure investment, particularly sustainable infrastructure investments, have become particularly favorable. Investors are becoming increasingly interested in sustainable infrastructure projects which promote positive social and environmental impact together with long term, stable financial returns. Responsible investment has, over the past few decades, proven to be a quickly growing movement in the field of investment decision making. Responsible investors are long term in nature and seek to reduce risk and achieve positive financial return by taking environmental, social, and governance (ESG) factors into account. In the past, such considerations were applied primarily to public equity investments, but increasingly investors are applying this lens to other asset classes. One of the asset classes which is new to ESG scrutiny is infrastructure. This chapter examines the recent shift to infrastructure investment and the ability for high ESG standards over the full life cycle of these assets, to contribute to a more sustainable financial system.