Measuring carbon to manage risk

PACE

The ***Platform for Analysing Carbon Emissions (PACE)*** is the new benchmark for analysing actual and predicted CO_2 emissions. Starting in the Aviation sector, PACE automatically compiles actual flight data for a portfolio or fleet and applies a blend of airline operator data and industry standard methods to provide consistent, comparable and reliable information for aircraft portfolio modelling, investor relations and regulatory reporting requirements.

Performance Prediction

PACE incorporates a powerful forecasting engine which uses machine learning and Artificial Intelligence to predict future utilization and performance, enabling users to model different scenarios, or ensure that CO_2 sustainability-linked financial performance targets align with Key Performance Indicators.

Real Time Alerts

PACE also provides real time alerts around user configured exception events, such as AOG and sanctioned territory breaches providing the portfolio manager with accurate insights into leading indicators of potential risk issues.

Accurate Insights

PACE enables carbon emissions to be analysed by:

- Country
- Portfolio (e.g. lessor, bank,credit export agency),
- Airline Operator
- Aircraft type

- Airport
- Route City Pair, ETS Scheme,
- Aircraft Category
- Manufacturer

Accurate fuel burn calculation

Independent CO_2 information

Global ETS Analysis

PACE

Consistent comparisons

By calculating CO_2 using industry standards and metrics, PACE enables consistent comparisons between aircraft of the same type across different operators or routes, different aircraft models, or comparative analyses between different aircraft operators.

Identify credit risk

The aviation industry is facing an increasing amount of climate change compliance and emission regulation such as a revised EU ETS, a newly established UK ETS and CORSIA. PACE automatically analyses carbon emissions at ETS scheme level and calculates overall credit risk exposure at portfolio level as well as aircraft operator fleet lien exposures.
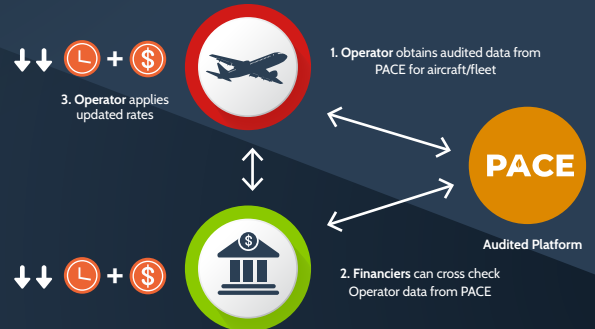

PACE for ESG Reporting

Reliable and comparable ESG data for investors and other stakeholders

Sustainably Linked Finance with PACE

Rating Agency Instrument

Legacy Process

Operator Fleet Utilisation Data

Operator performance assigned annual rating by nominated **ESG Rating agency**

Financiers adjust rate depending on new ESG rating, as per terms

Operator applies updated rates into repayment structure

Frequency: Annually | **Blunt Instrument,** the ESG rating is applied at Operator level not Aircraft/Asset level

Using PACE

1. **Operator** obtains audited data from PACE for aircraft/fleet

3. **Operator** applies updated rates

PACE

Audited Platform

2. **Financiers** can cross check Operator data from PACE

ESG Rating can be applied at Aircraft level, meaning Financiers see true utilisation of only their asset(s)

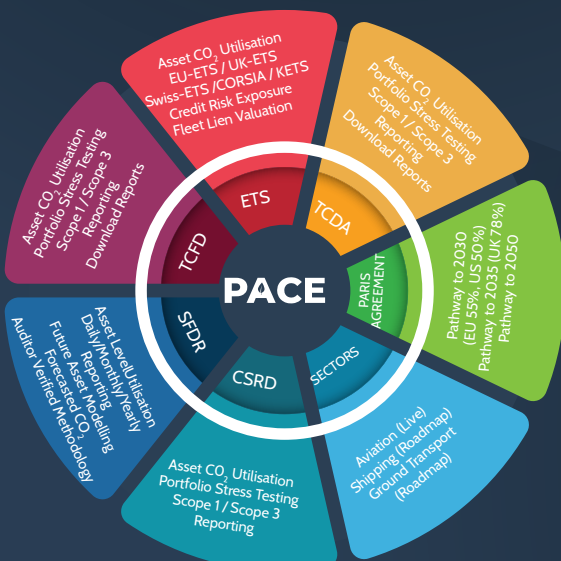**ESG Rating** can be linked directly to RPK of the Aircraft

Financiers can proactively forecast future utilisation at aircraft level to determine future loan-book status for existing or new deals

Frequency: Monthly, Quarterly or Anually. More frequent validations incentives a greener outcome as each validation has the potential to lower the repayment rate as per terms

Operator agnostic metrics, no need for Financiers to support bespoke data from each Operator/Lessee