

EDHEC*infra* launches GICCS® classification criteria to structure infra asset class

Singapore, 12 November 2018 – The EDHEC Infrastructure Institute, as part of its work to build performance benchmarks for investors in private infrastructure debt and equity, has released the Global Infrastructure Company Classification Standard (GICCS®).

Private infrastructure investment is developing rapidly as a global asset class. This evolution requires a clear and robust classification of the individual infrastructure companies that equity investors can acquire or debt investors can lend to.

Taking existing definitions and perspectives into account EDHEC*infra* has created the Global Infrastructure Company Classification Standard (GICCS®) to provide investors with a frame of reference to approach the infrastructure asset class.

GICCS® offers an alternative to investment categories that were inherited from the private-equity and real-estate universe (e.g “Core” vs Core+), which may not be the most informative when trying to group infrastructure investments and design strategies or simply document the structure of the sector.

GICCS® comprises four pillars; *business risk classification, industrial classification, geo-economic classification and corporate governance classification*. It is designed to be compatible with other standard investment-classification schemes, but it also uses fundamental insights from the academic literature to create a classification that embodies some of the key aspects of infrastructure businesses’ risk profiles.

As part of this new initiative EDHEC*infra* has formed the GICCS® Review Committee. The committee includes members from leading asset owners and managers as well as The Royal Institution of Chartered Surveyors (RICS). Feedback on the GICCS® criteria has already been received from Blackrock, LGIM, Natixis, OTPP, Aviva and many more. The GICCS® Review Committee will consult regularly on the GICCS® criteria and its evolution.

Frederic Banc-Brude, director, EDHEC*infra* said: “For investors in private infrastructure current industrial classifications are not adequate making it hard to understand performance in a multi-asset class context. These current classifications do not reflect the risk profiles of infrastructure companies. With GICCS® investors can use a robust, dynamic and global classification of private infrastructure companies based on a transparent step by step methodology reflecting common sources of risk found in these businesses. GICCS® allows investors to discriminate between well-defined risk profiles and investment strategies.”

He added: “We are delighted to have received so much early support for this new initiative from asset owners, managers and industry practitioners. It demonstrates the clear need for a proper taxonomy for defining the infrastructure asset class. We welcome the ongoing support and input of the GICCS® Review Committee as the criteria evolves.”

[Download the GICCS® criteria here](#) and [accompanying spreadsheet](#).

For further information and media enquiries please contact:

Sarah Tame, associate director and CCO, EDHEC*infra*

Sarah.tame@edhec.edu