

Research Tender

Subject: Data centres – sustainable risks and opportunities

Introduction:

In May 2021 First Sentier Group (FSG) and Mitsubishi UFJ Trust and Banking Corporation (MUTB) (a subsidiary of Mitsubishi UFJ Financial Group, Inc (MUFG)), jointly launched the First Sentier MUFG Sustainable Investment Institute (the Institute).

The aim of the Institute is to provide research on topics that can advance sustainable investing, including examining market trends and practices that the investment industry must address if it is to make an active and positive contribution. These topics may address behavioural, societal, cultural, macro and systemic changes, impacts of regulation and how such trends impact the performance of companies, sectors, and economies, and influence the allocation of capital by investors.

Purpose and scope of project

Based on the resources shared by SII, its own research base and discussions with SII/FSG, the consultant is expected to conduct research on data centres in the sustainable investment context, focusing on financially material concerns, systemic risks and opportunities across asset classes.

Project - Data centres: sustainable risks and opportunities (report)

The Institute seeks to commission a comprehensive research report on sustainability-related issues in data centres, focusing on financial materiality, sustainability-related risks, and systemic implications for investors. The report will aim to quantify financial materiality, assess systemic risks and their potential impact on valuations, and provide investment insights across asset classes including engagement guidance. Case studies will be used to demonstrate risks and opportunities including sustainability impacts on production timelines, capex, and revenue. Expected sources include literature (industry reports, media, NGOs, international organisations, academic articles), datasets and industry sources. Deliverable will include a completed report comprising research outcomes, data, visuals and engagement toolkit.

The report will aim to cover the following elements (indicative list):

- General market overview: global market size, growth predictions, hyperscaler demand, capex trends, customer segmentation and ownership structures
- Key sustainability-related risks:
 - Water (freshwater usage for cooling vs grid water intensity (off-cite water use), water stress exposure, potential growth constraints due to water scarcity, wastewater handling, regulatory backlash via tightening water regulations/bans/mandatory disclosure)
 - Energy (growing electricity demand, grid constraints, renewable mix, SMRs)
 - Emissions (emissions intensity, decarbonisation trends)
 - Critical minerals (key minerals necessary to data centre buildout and operations, supply availability, potential bottlenecks, relevant human rights and environmental impacts)
 - Licence to operate/community relations (local opposition to data centre construction, impact on project timelines and costs, reputational, regulatory, social risk)
 - Governance and policy: lobbying, subsidies, tax, transparency, board-level responsibility, impact of governance practices of large corporates in the AI ecosystem (especially hyperscalers) on data centres
 - Explain relevance of hyperscaler value chain to this theme including SMID angles
- Geographical lens – comparative regional water, energy, regulation risk
- Financial materiality of the sustainability risks: can be expressed in production delays, cost overruns, valuation impacts.

- Cross-asset scope including equities, infrastructure, property, private markets, fixed income and sovereigns
- Sustainable innovation: cooling technologies reducing water use (closed loop, direct to chip, immersion systems), grid and resource limits mitigation, water recycling, wastewater treatment
- Metrics and disclosure: good practice on corporate disclosure on above themes; how to best analyse metrics including water, energy, emissions, capex, and growth projects?
- Investor engagement recommendations covering water, energy, permitting and governance themes culminating in Engagement and Stewardship Kit (including views on relevant proxy votes). Cite investor engagement scenarios.
- Focus on data tools already available to assist analysis of specific risks and opportunities

Research Approach

- Establish the exact scope of the report, along with literature and data to be used in discussion with SII
- Provide an outline and plan and timescale for the work in the beginning
- Conduct in-depth research on the sustainability-related risks and opportunities of data centres in accordance with the agreed methodology and the goals of the project and complete a final report for publication
- Final deliverable should emphasise differentiation from existing literature and show focus financial materiality – including asset valuation, pricing impact etc.

Proposal guidelines:

In your proposal, please include the following information:

- Proposed research methodology
- The proposed scope of the research
- Proposed relevant publications to be used as literature review
- Proposed structure of the report
- Proposed timetable for execution of the project, including intended interaction with the Institute and report reviews. Please indicate the earliest project completion.
- Proposed fees and costs
- Short biographies or skills profile of the proposed team members

Proposed timelines:

- This RFP is issued on 29.06.2026
- Any questions or feedback regarding the brief should be submitted by 6.07.2026
- Answers to any questions will be provided by 8.07.2026
- Proposal should be submitted to the Institute by 10.07.2026 together with availability for a 1 hour call to discuss the proposals in the week of 13.07.2026
- Target for notifying the successful tenderer by 17.07.2026

Legal:

- The Institute's standard Legal Contract for commissioned research will be used
- The reports Intellectual property will belong to the Institute
- The Institute will have the right to publish the research under its own brand
- Attribution to the author(s) and their organisation will be given in the final report
- The Institute will retain editorial control over the reports content
- The authors should ensure the report contains no personal information, that any images included are licensed for their intended use and they have distribution rights for any third party references and data.

Institute's use of the report and its content

The Institute would publish the report on its websites (English and Japanese). In addition to that, the Institute may want to use parts of the content or produce new content based on all or parts of the work presented in the report. That could be shared with other 3rd parties and could include, but would not be limited to:

- using charts and/or quotes in presentation prepared by the Institute
- using charts and/or quotes in presentation prepared by her FSG and MUTB/MUFG staff
- webinars to present and promote the findings of the report
- presenting and promoting the findings of the report at conferences
- publicizing the publication of the report with a press release
- preparing e-mail notifications to promote the paper
- writing blogs for our websites and/or articles for other media
- using charts/ quotes from the report for posts on our linkedin account or using other text/material that introduces and promotes the paper on linkedin

Investment advice and financial promotions

- The report must not include, or be capable of being construed as investment advice.
- Ideally the report should not reference individual identifiable listed securities; explicitly or implicitly. Where this is unavoidable, any reference must be restricted to information in the public domain with appropriate citation.
- The report must not constitute a financial promotion. Consequently any reference to FSG or MUFG products is prohibited

Other

- The report could follow a similar style to previous reports commissioned by the Institute, but other formats are also acceptable as our priority is to use the most suitable style that achieves clear, simple and easy to follow messaging and maximize the use of visuals, tables, lists.
- The report is intended for publication in the public domain
- Please specify in your proposal if you are able to provide us with a finished formatted report, following the Institute's style and branding
- If the Institute retains responsibility for report design, the Institute will expect all visuals to be prepared and provided in a format that can be easily replicated by an external design/ typeset agency. This includes all necessary source data
- The Institute will expect collaboration on developing infographics/visuals, if such are deemed effective and in support of the report messaging
- The Institute will arrange for the report to be translated into Japanese for publication on the Japanese language version of the Institute's website

Instructions:

Please submit a proposal by email to Institute@firstsentier.com with a cc Sudip.Hazra@firstsentier.com, Elena.Zharikova@firstsentier.com, and Tomohiro.Enomoto@firstsentier.com