

The logo for 'entelligent' is positioned in the top left corner. The word is written in a lowercase, sans-serif font. The 'e' is a light green color, while the remaining letters are white. The background of the top half of the slide is a dark blue gradient with a network of white lines and dots, resembling a globe or a data network.

entelligent

Entelligent's Smart Climate[®] E-Score[®] Data Suite

Helping inform investors of their exposure to
extreme climate change transition risk.

Introduction

To evaluate return and risk exposures related to climate change, Entelligent blends energy economics and alternative climate scenarios with traditional financial data. The approach provides a prediction of a company's transition risk using climate forecasting as a starting point. The transition risk is then calculated from Smart Climate® E-Scores, which take macroeconomic factors and multiple climate scenario analyses into account. This risk analysis has the ability to capture current and future energy transition trajectories at both company and asset levels.

AE-EMTR Package

Entelligent's AE-EMTR package utilizes profitability projection of energy sources from an integrated resource assessment model. The assessment metrics utilizes appropriate future discounting rates to evaluate the impact of fluctuations in profitability of all energy sources such as Oil, Gas, Bio, Hydro, Coal, Nuclear, Renewables and New-tech due to climate and energy transitions on projected price returns of publicly traded companies.

This package is ideal for users that want to integrate security level scientifically standardized climate transition risk to mitigate both chronic and acute climate change risk that may occur due to slow or sudden policy, energy, technical and macro dispersions from the current Business As Usual (BAU) scenario.

The AE-EMTR integration improves a portfolio's financial and impact performance. This integration makes this data package ideal for indexing, stock picking and portfolio construction purposes to investors seeking climate alpha and high carbon reductions standards.

The data is extensively tested for risk-return ratio improvement and social environmental impact. The E-Score® measures the level of carbon emission reductions at the security level by evaluating an asset's current and future exposure to competing climate scenarios. The E-Score® is an indicator of an investment's energy efficiency and, thus, its reductions of both Scope 1 and Scope 2 carbon emissions. Companies that are increasing capital expenditure in energy efficiencies show favorable E-Score® rankings. Considering the current data gaps and noise in traditional carbon footprint analysis, using E-Scores can provide users with a more holistic view and a more robust methodology.

The data covers 3500+ securities covering most constituents from Standard & Poor 500 (S&P 500®), Russell 1000 and MSCI All Country World Index (ACWI).

CO-EMTR Package

The CO-EMTR package is designed to assess risk in company's profitability and future returns due to oil and coal dependency. Crude oil and coal are publicly traded, globally fungible commodities that can serve as benchmarks for the energy sector as a whole. Global supply, demand, cost and price of oil and coal are impacted by socio-economic, technical, climate and energy shocks. Thus, it is essential for investors to assess the exposure of their investment portfolio to changes in the price, demand and supply of oil and coal relative to other energy sources using comparable standards.

The data can be easily integrated with multiple screening, stock picking, portfolio and index construction processes.

This package is intended for users interested in building all sectors inclusive investment strategies that reduce portfolio exposure to oil and gas volatility using a soft divestment approach. The data has the ability to identify leaders across all GICS economic sectors that have managed to minimize exposures towards traditional fuels.

This package includes back-tested data covering a universe based on the S&P 500. The data is updated every quarter by estimating the sensitivity of company stock price returns to oil and coal projected profitability. Stock price return exposures are computed across multiple climate-change scenarios based on EN-ROADS.

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