

Clean Capitalist: Fund Reporting and Scenario Analysis

Created by Corporate Knights and powered by carbon data from South Pole Group, the Clean Capitalist is a secure interactive tool to benchmark, measure and manage exposure to carbon and other ESG factors that also allows investors to see the financial implications of a range of user-defined sustainable investing scenarios

What it Includes

- One platform that incorporates data from over 40 different sources
- Downloadable data files and PDF reports
- Scope 1,2,3 and fossil fuel reserves for 8,500 securities
- Range of green-brown exposure metrics (including user-defined coal exposure thresholds)
- Carbon footprint metrics in preferred currency
- Custom portfolio cleaning and instantaneous back-testing function to conduct “what if” performance analyses
- Custom watch lists or exclusion lists
- Climate risk and governance metrics
- Other social and environmental indicators¹ (water, board diversity, effective cash tax rates) will be added in Q2 2016.
- Comparability to uploaded benchmarks, forward-looking low carbon benchmarks, plus a range of other large and leading pre-loaded funds (based on public disclosure)
- Historical footprinting data available (back to 2010)
- % holdings reducing carbon, % holdings reducing carbon intensity
- Other asset classes available on bespoke demand (Fixed income, Real Estate, Private Equity, Infrastructure)

Where does the Data Come From?

- Carbon Data powered by South Pole Group
- Detailed methodology of verified self-reported greenhouse gas data, combined with modelled carbon intensity for non or poorly reporting companies. Based on sector dependency data and life-cycle analysis principles
- Estimation based on bottom-up sector-based modelling for Scope 1 and 2, using 800 sector sub-sector specific models
- EEIO modelling for Scope 3 upstream and life-cycle analysis data for Scope 3 downstream
- One-to-one company sector mapping to proprietary classification system

Fossil Fuel Reserves Data

Fossil reserves data provided by Fossil Free Indexes

Climate Risk and Governance Data

Climate governance data provided by oekom and CDP

SICS Classifications

Best-in-class analysis conducted with Sustainability Industry Classification System (SICS) provided by Sustainability Accounting Standards Board

The Clean Capitalist database covers 8,500 securities (comprising more than 85% of global market capitalization), including all primary public equity securities with a market cap over \$2 billion and/or listed on major national and global indices

How it Works

Footprinting

- Carbon data, powered by South Pole Group, is collected from all available sources, validated and corrected (25% disregarded)
- After uploading your portfolio you will get a detailed footprint and benchmarking report, along with decomposition and attribution breakdown, with Leaders and Laggards listed at portfolio and sector level
- After selecting your sustainable investing strategy you will get a report comparing historical performance to the original portfolio along with a list of excluded securities

Portfolio Cleaning

- Define criteria and generate downloadable watch list or exclusion list
- Select sustainable investment strategy and re-investment criteria and see impact on financial performance (returns, sharpe ratio) against the original portfolio over the past three years (includes “do-not-touch” function)

Decarbonization options allow user to define exposure and/or exclude: Inefficient carbon polluters (worst-in-class carbon/sales), High Carbon Risk companies, Coal 100 reserves, Oil 100 reserves, Coal utilities > x % coal generation, Coal miners > x % revenues from thermal coal, Pure-play Coal, Oil sands and a range of other criteria available in Q2 2016¹

Reinvestment options include: Green companies (>20% revenue from 3rd party verified new energy or environmental markets), Free-float market capitalization, Sector neutral or Equal weight

Pricing

Asset Managers:

USD\$22k per annum per account

Asset Owners:

USD\$11k per annum per account

Discounts available for foundations and multiple user subscriptions.

Further Information:

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¹ Overpaid CEOs, CEO-to-worker pay ratio, Water intensity, Deforestation, Cluster bombs, Personnel landmines, Nuclear weapons, Weapons revenue, Tobacco, Gambling, Pornography, Alcohol, Child or forced labour, Human rights abuses, Severe environmental incidents, Unfair labour practices, Unsafe workplaces, Unsafe products, Private prisons, Hand guns, Conflict minerals, Board Diversity, Executive Diversity, Workplace discrimination, Tax responsibility, Poaching, Animal testing, Animal welfare, Factory farms, Pork, Sharia, Catholic values, Access to nutrition, GMOs, Access to medicine, Fair Wage Policy, Privacy