



cambridge
econometrics
clarity from complexity

Sustainable Investment
World class climate
scenario analysis

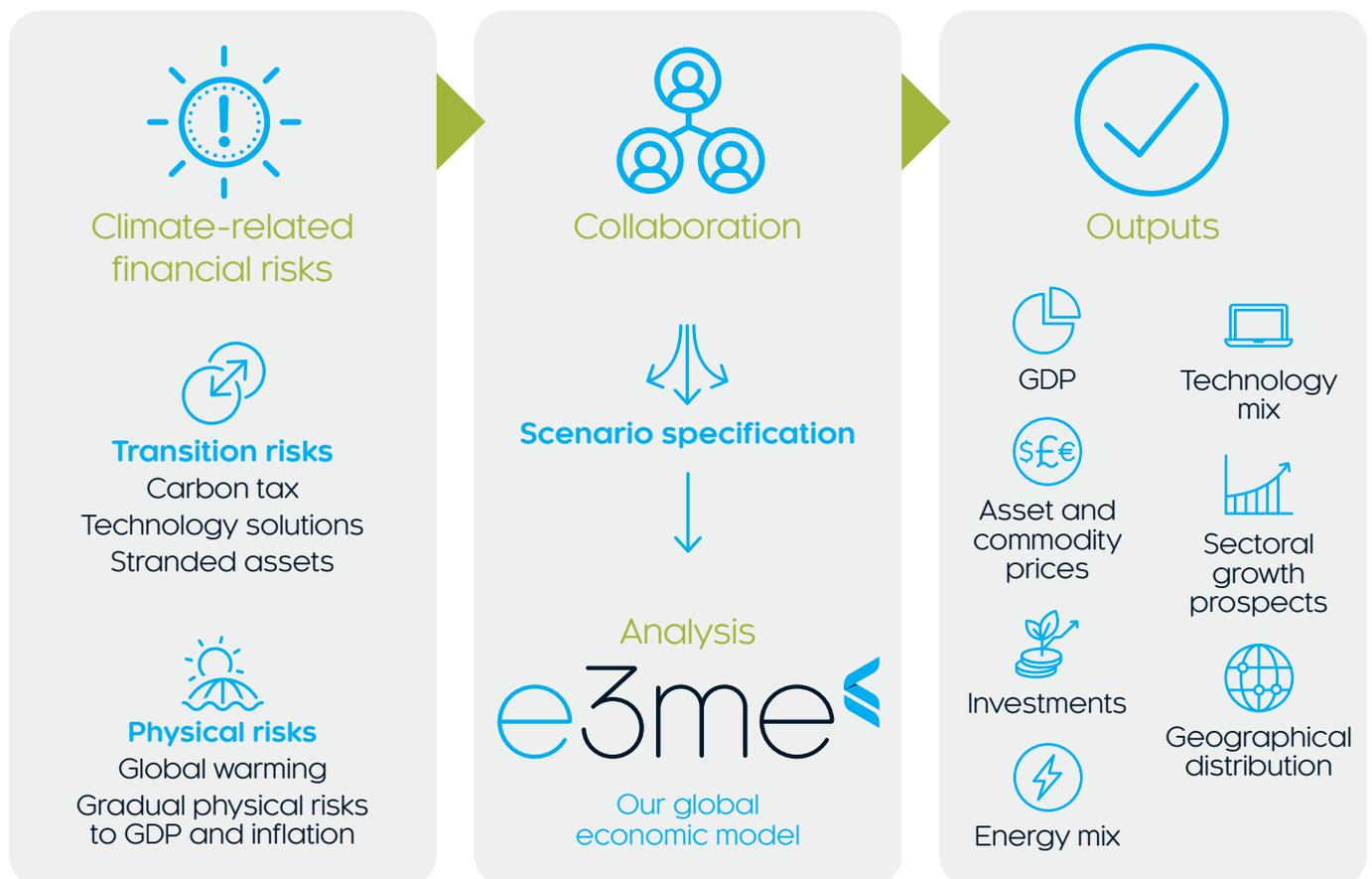
What you choose to invest in matters in a world of net zero commitments, new technology and increasingly frequent and severe natural disasters.

At Cambridge Econometrics, we understand the critical importance of successfully transitioning your portfolios into a decarbonised world and the scale of this challenge.

Using our world class climate scenario analysis, we can give you the confidence you need to find the right path to a more sustainable future.

We are here to help you assess the climate-related risks of your portfolios, whether that is transitional or physical, using our TCFD-aligned model of the global economy E3ME to quantify exposure to climate-related risk.

Quantifying climate-related financial risks



E3ME is recognised globally as one of the leading models for comprehensive economic modelling of policy and technology scenarios.

We have worked with a range of governments, international organisations, central banks and financial institutions to deliver high quality climate scenario inputs, equipping our clients to make decisions with confidence.

Designed to assess global policy challenges, e3me uses behavioural equations and accounting identities to simulate interactions and dynamics of the economy for scenario analysis.

Our model can test the impact of different global temperature pathways and assess the impact of different climate related risks:

- Roll-out of new, low-carbon technologies
- Physical manifestations of climate change
- Policy action to mitigate climate change
- Sectoral and geographical breakdown of associated risks

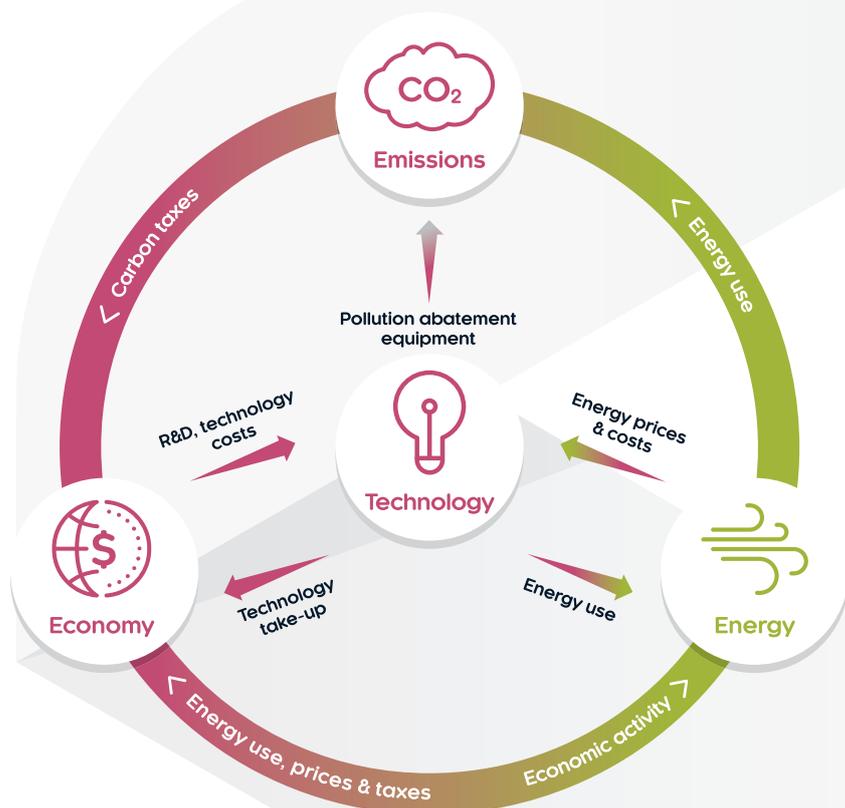
ORTEC FINANCE

Partnership with Ortec Finance

- In partnership with Ortec Finance we offer a service that takes the outcomes for economic indicators under different climate and transition scenarios and translates these into implications for the risks and returns to investment across different asset classes.
- The resulting systemic climate risk-aware scenarios provide a unique set of quantified climate-adjusted economic and financial outlooks up to 2060 differentiated by country and global warming pathway.

‘Our interdisciplinary team not only provides investors with the numbers they need but also with interpretation support – ensuring that our clients are empowered to act on the data’

Willemijn Verdegaal, Co-Head of Climate & ESG Solutions at Ortec Finance



Some challenging questions we can help you answer:

1. How will our investment portfolio perform under different climate scenarios?
2. Is our portfolio aligned with the Paris agreement?
3. For climate resilient investment opportunities which sectors, geographies and technologies should we consider?

Where we have made a difference

Our recent work includes:

The role of climate change scenarios in investment portfolios

Investing in a time of climate change – the sequel

Renewable energy generation: the impact on the global economy

Stepping up Europe's 2030 climate ambition

On behalf of:



For more information about our Sustainable Investment service, please contact: János Hidi, Sustainable Investment Manager
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