

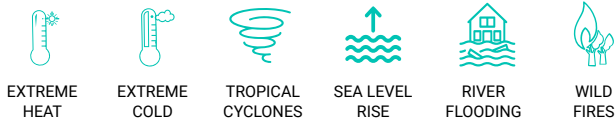
Climate Insights for your portfolio

▶ Measuring the impact of climate change on real estate assets

Climate Value-at-Risk estimates the future costs [USD, %CV, Risk Banding] that are incurred by assets/portfolios due to climate change. 2 types of costs are analyzed:

Physical risk

Costs of damage to a building generated by the increase in extreme weather covering 6 hazards and 9 scenarios



Other measures

Carbon emissions proxies for all property types





Warming potential

Hazard levels (current and 2050)

Transition risk

Costs of lowering carbon emissions to reach a targeted global warming covering **11 scenarios spanning across 1.5 degrees to 3 degrees, using pathways from NGFS (REMIND), CRREM and AIM/CGE**

Deliverables

-  Online interactive dashboard
-  Data download
-  Individual Climate Asset Fact Sheet
-  Fixed format report (regulatory, summary results)

The MSCI Climate model estimates the cost associated to climate change according to various scenarios



Physical Risks & Opportunities

Physical risk

Current year to 2100

Cost of **damage** to an asset generated by an increase in extreme weather

Global warming scenarios

| | |
|------|------------|
| 1.5° | \$ |
| 2° | \$\$ |
| 3° | \$\$\$ |
| 4° | \$\$\$\$ |
| 5° | \$\$\$\$\$ |



Transition & Policy Risks

Transition risk

Current year 2050-2100

Cost of **lowering the carbon emissions** of an asset to meet a chosen temperature target

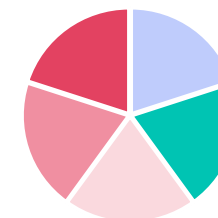
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Financial impact



Climate Value at Risk



About MSCI

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