

Climate Risk Management

Manage portfolio risk and improve engagement on climate change strategies

Climate change is one of the most important, and complex, challenges facing business today. As a result, climate change governance is becoming an increasingly important factor in investment planning. As investors look to manage portfolio risk from climate change and seize related opportunities, they need tools to assess how companies are preparing for rapidly shifting market conditions in a carbon-constrained world. RiskMetrics Group, through its Climate Risk Management practice, helps pension funds, asset managers and other investors translate extra-financial data on climate change governance and performance into practical risk management and engagement solutions.

Multi-disciplinary approach to climate risk

As a proven leader in risk management, corporate governance and financial research and analysis, RiskMetrics Group offers a unique combination of financial modeling, screening tools and in-depth research to help you evaluate and manage climate risk in your portfolio. Whether you need to rebalance your portfolio, screen for companies with stronger climate governance practices or obtain a detailed risk management analysis of a particular company or industry, RiskMetrics Group has the tools you need.

Our Climate Risk Management services include:

- + Climate Governance Scores
- + In-Depth Company Profiles
- + Fund Manager Analysis
- + Portfolio Risk Analysis and Modeling

Our solutions offer an unmatched quantitative and qualitative approach to managing climate change risk

RiskMetrics Group Addresses a Broad Spectrum of Risk



Client Benefits:

- + Customized products to meet individual client needs and investment mandates
- + An independent research approach that places emphasis on company engagement and analysis of GHG emissions management
- + Consideration of a full-spectrum of climate change risks - not just carbon footprinting
- + Global scope, with operations in 11 countries and over 200 research analysts, 50 of whom focus exclusively on sustainability research
- + An experienced and dedicated climate change research team with sector and policy expertise

Climate Risk Management Services

RiskMetrics Group is an established leader in analyzing corporate and investor climate risk. Since 2003, we have worked with Ceres and the Investor Network on Climate Risk (INCR) to develop the Climate Change Governance Framework, which is widely regarded as the standard for evaluating corporate and investment management strategies to address climate change risks and opportunities. This framework forms the foundation of RiskMetrics Group's Climate Risk Management services.

Climate Governance Scores

Our Climate Governance scores are based on a 100-point scoring system across five key governance areas: board oversight, management execution, public disclosure, emissions accounting and strategic planning. We provide individual company scores for more than 1,000 companies worldwide, and our coverage is expanding. We are happy to work with you to add your portfolio companies to our coverage, or provide coverage of a custom universe. Individual company scores can be compared against sector and/or investor index benchmarks. The Climate Governance Scores complement RiskMetrics' broader sustainability coverage of more than 2,000 global companies in the S&P500, TSX 300 and MSCI EAFE indices.

In-Depth Company and Industry Reports

RiskMetrics provides "deep-dive" profiles and analysis of companies in carbon-intensive and climate-sensitive sectors, including electric power, oil & gas, transportation and insurance. Each 3-5 page report presents the strengths and weaknesses of the company's climate governance strategy, competitive positioning and potential controversies, as well as an analysis of climate-related exposure to legal, regulatory, financial, physical and reputational risks. These reports help inform corporate engagement and investment strategies. Climate-related industry sector reports are also available.

For more information on this and other solutions from RiskMetrics Group, please email marketing@riskmetrics.com, visit www.riskmetrics.com, or call:

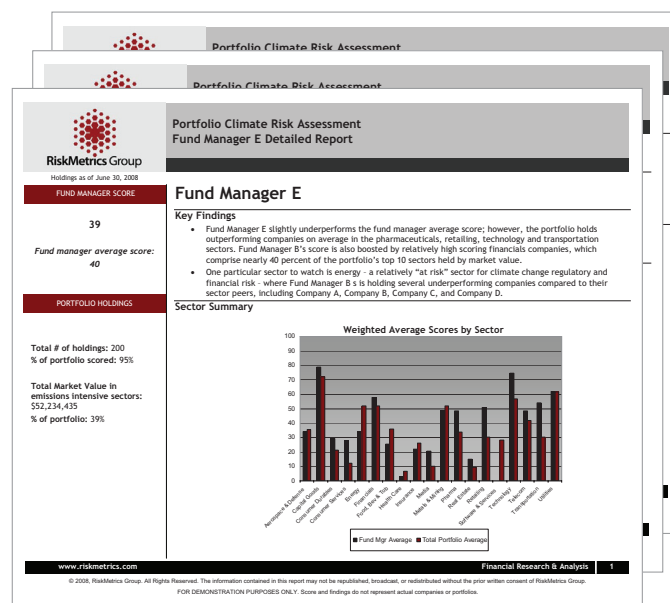
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Fund manager analysis

RiskMetrics analyzes the capabilities of individual fund managers to integrate climate change factors in their investment planning and stock selection. This examination includes portfolio-weighted analysis of each fund manager's Climate Governance Scores, based on its holdings, qualitative analysis of climate-specific analytical tools used by the firm, and a comprehensive review of how the firm votes its shares on climate change shareholder resolutions.

Climate risk portfolio modeling

RiskMetrics offers a unique combination of market-leading financial risk modeling tools integrated with our Sustainability Risk Management services. Client portfolios can be uploaded into Portfolio Pilot, proprietary risk management software that enables plan sponsors and portfolio managers to analyze portfolio performance and return analytics, and optimize investment strategies to hedge climate risk. By combining Climate Governance Scores with carbon risk exposure indicators, clients can create a Climate Governance Matrix to analyze portfolio risk analytics and investment allocation options.



Our **Climate Risk Management** services enable a multi-disciplinary approach to proactively managing climate risk in your portfolio.

About RiskMetrics Group:

RiskMetrics Group (NYSE: RMG) is a leading provider of risk management and corporate governance products and services to financial market participants. By bringing transparency, expertise and access to the financial markets, RiskMetrics Group helps investors better understand and manage the risks inherent in their financial portfolios. Our solutions address a broad spectrum of risk across our clients' financial assets. Headquartered in New York with 19 global offices, RiskMetrics Group serves some of the most prestigious institutions and corporations worldwide. For more information, please visit: www.riskmetrics.com.



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