

INDUSTRY SNAPSHOT: CLIMATE RISK ANALYTIC TOOLS

AN INFOGRAPHIC

As climate risk assessment becomes increasingly critical for investment decision-making, the number of data and analytical tools that provide climate-related analytics is growing rapidly. CFA tracks data and analytics tools useful for investment decision making (for both public and private investors) on an ongoing basis. Below is a snapshot of characteristics and functions that climate risk data/analytics tools can provide as of December 17, 2021.

NUMBER OF TOOLS

Note: Some climate data/analytics providers offer multiple tools

 **85 Tools**


ARE THE TOOLS FREE?

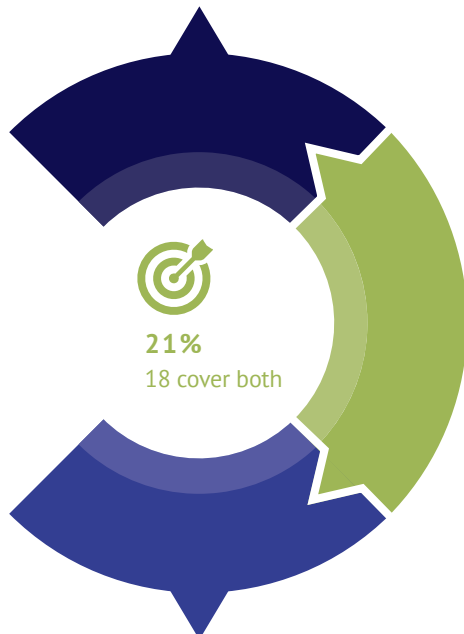
16 are free to use


69 of tools require a fee or subscription



WHAT CLIMATE RISKS DO THEY COVER?

 **54%**
46 cover only physical risk



 **24%**
20 cover only transition risk

PHYSICAL RISK: RANGE OF PHYSICAL HAZARDS COVERED BY TOOLS



Flood



Extreme Weather



Extreme Heat



Extreme Precipitation



Landslide



Drought



Water Scarcity



Wildfire

TRANSITION RISK: TOOLS THAT CALCULATE POLICY RISK, CHANGES IN TECHNOLOGY COST, OR BOTH

89% 
34 Policy

74% 
28 Technology Cost

71% 
27 Both



HOW MANY TOOLS PROVIDE QUANTITATIVE OUTPUTS?



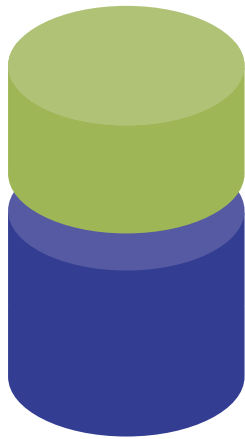
70 quantitative outputs 14 may not provide quantitative outputs

OF TOOLS THAT PROVIDE QUANTITATIVE OUTPUTS, SOME PROVIDE OUTPUTS IN FINANCIAL OR ECONOMIC TERMS



49 tools provide quantitative outputs in financial terms

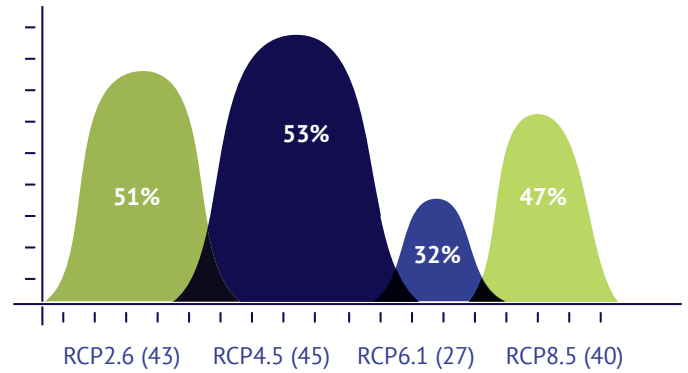
DO THE TOOLS INCORPORATE ALL IPCC REPRESENTATIVE CONCENTRATION PATHWAYS (RCP) SCENARIOS?



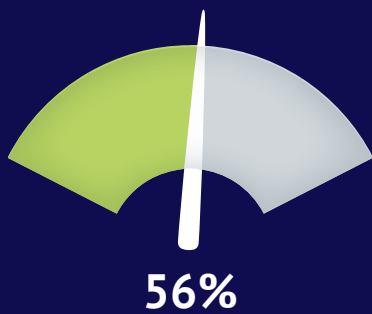
28% 24 employ all RCP scenarios

72% 61 employ some RCP scenarios

WHICH IPCC RPC SCENARIOS ARE COVERED?



TOOLS THAT SAY THEY COVER EMERGING MARKETS



FUNCTIONALITY & TIME HORIZONS: DO THE TOOLS ALLOW USERS TO TOGGLE THROUGH DIFFERENT TIME HORIZONS?

