

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. Several data points include a breakdown by the type of climate risk covered. Below is a snapshot of characteristics and functions that climate risk data and analytics tools can provide as of March 31, 2023.

NUMBER OF TOOLS

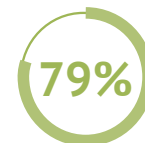
Note: Some climate data/analytics providers offer multiple tools

 **98 Tools**
69 Providers


ARE THE TOOLS FREE?

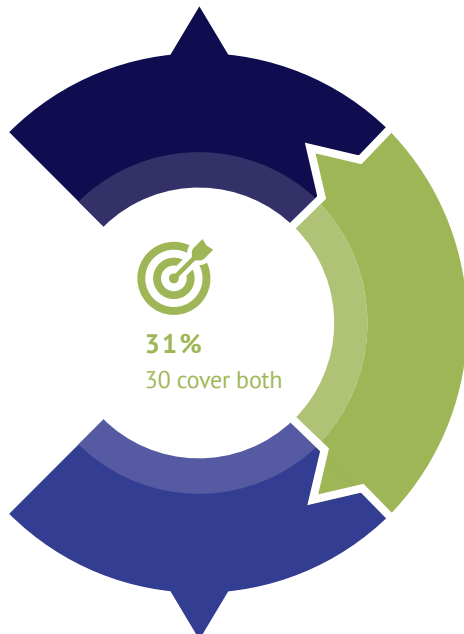
21 are free to use


77 require a fee or subscription



WHAT CLIMATE RISKS DO THEY COVER?

 **45%**
44 cover only physical risk



 **24%**
24 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

94% 
51 Policy

78% 
42 Technology Cost

78% 
42 Both



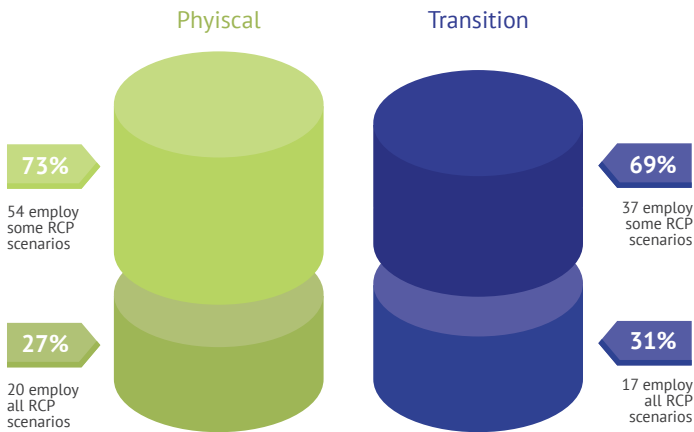
HOW MANY TOOLS PROVIDE QUANTITATIVE OUTPUTS?



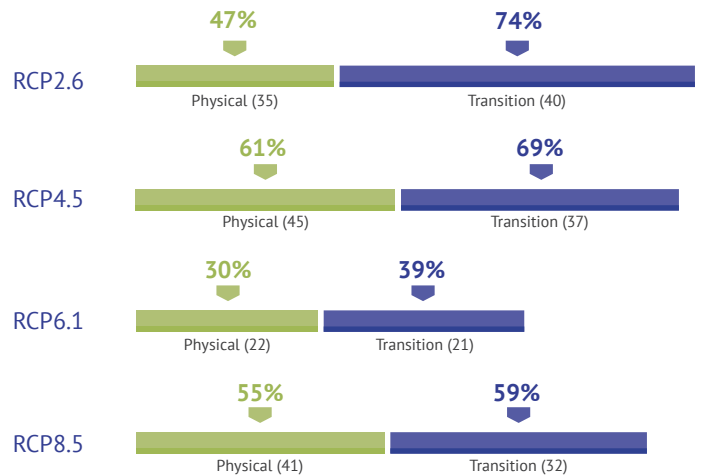
OF TOOLS THAT PROVIDE QUANTITATIVE METRICS, (#/%) PROVIDE QUANTITATIVE METRICS IN FINANCIAL TERMS



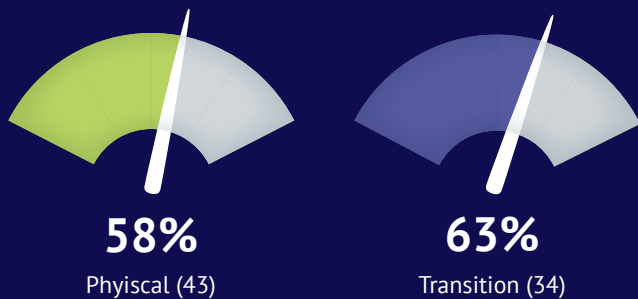
DO THE TOOLS INCORPORATE ALL RCP SCENARIOS?



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?

