

## Climate ALIGN

**Organization**  
Ortec Finance

**Partner organizations**  
ESG Book (previously Arabesque S-RAY), Cambridge Econometrics

## Summary

Climate ALIGN assesses and monitors investment portfolio alignment with a net-zero emissions trajectory by 2050. The tool enables financial institutions to assess the temperature alignment of current emissions reduction targets, commitments, investment portfolios, and lending portfolios. ALIGN covers listed equity, corporate credit, private assets, sovereign debt, and real estate (with real assets coming soon).

The underlying decarbonization pathway is from the globally renowned macroeconomic model E3ME from Cambridge Econometrics. Climate ALIGN offers both broad and granular sector and geographic coverage. In order to offer broad coverage of multiple asset classes, Ortec Finance uses a combination of proprietary and open-source data inputs and methodologies, while ensuring that the inputs are consistent and can be aggregated up to a total portfolio level. Similarly, Ortec Finance uses the same climate scenarios within its MAPS product, allowing for a harmonized approach to assessing and managing double materiality for users of both tools

## Climate Focus

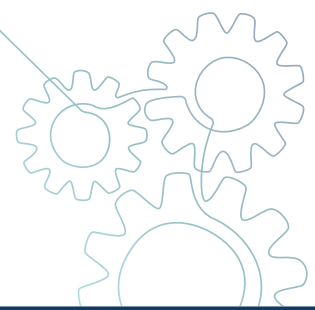


## Resource Type



## Intended Users





Climate ALIGN	
<b>WHO</b>	Users interested in assessing the alignment of financial portfolios with a net-zero trajectory
<b>WHAT</b>	<ul style="list-style-type: none"> <li>• Assess current implied temperature scores at different levels of aggregations (e.g., by holding, asset class, and total portfolio)</li> <li>• Develop greenhouse gas emissions reduction targets</li> <li>• Consistently monitor progress against set targets</li> <li>• Develop engagement strategies</li> <li>• Inform strategic security selection and capital allocation decisions</li> <li>• Showcase net-zero alignment leadership</li> <li>• Prepare for climate-related disclosure regulation</li> </ul>
<b>WHEN</b>	<ul style="list-style-type: none"> <li>• When measuring the implied temperature score of a financial institution’s assets</li> <li>• When monitoring decarbonization progress over time</li> <li>• When considering setting a net-zero target or trying to understand how to attain a target that has already been set</li> <li>• When aiming to develop a climate strategy that considers both alignment and risk perspectives</li> </ul>
<b>WHERE</b>	<ul style="list-style-type: none"> <li>• The tool covers listed equity, corporate credit, private assets, sovereign debt, real estate (and coming soon, real assets) through using a combination of proprietary and open-source methodologies</li> <li>• This analysis offers coverage at the regional level, country level, or sector level (within corporates)</li> </ul>
<b>WHY</b>	<ul style="list-style-type: none"> <li>• To conduct engagement and divestment strategies</li> <li>• To complete regulatory compliance</li> <li>• To provide education and engagement with internal and external stakeholders</li> </ul>
<b>HOW</b>	Interested users can learn more by visiting <a href="#">Ortec’s website</a>