

2° Investing Initiative's commitment as founding shareholder of Asset Data Provider

Paris, 10 December 2018

Context

The 2° Investing Initiative is a network of non-for-profit, non-commercial organisations based in France, Germany and New York State. Its mission is to foster the integration of climate-related and long-term objectives into financial regulation and investment decision-making processes.

To fulfill this mission, the 2° Investing Initiative developed a free, open-source model to assess the alignment of investment and loan book portfolios with climate goals, as well as a related database of Physical Assets Matched with Securities (PAMS).

2° Investing Initiative's approach got traction, with thousands of voluntary users using the model across dozens of countries, including large banks, institutional investors, asset managers, financial supervisors, NGOs and universities. In some countries, climate scenario analysis even became mandatory for investors.

This contributed to an emerging global market for climate scenario analysis of financial assets.

As a result, the 2° Investing Initiative faces demand from commercial data and service providers to use the open-source model to develop commercial offers. Similarly, other research organisations are interested to access the full PAMS database to develop their own scenario analysis models or to improve 2° Investing Initiative's approach.

To fulfill its mission, the 2° Investing Initiative therefore needs to make the PAMS database readily available.

Given the existence of third-party intellectual property rights on the underlying data, the 2° Investing Initiative is however not legally able to distribute PAMS itself. To address this challenge, the 2° Investing Initiative incubated and launched Asset Data Provider (also known as Asset Resolution), a for-profit, commercial entity able to partner with data providers to make PAMS available to the market.

Commitment

As founding shareholder of Asset Data Provider, the 2° Investing Initiative commits to the following principles:

1. Not to control Asset Data Provider

The 2° Investing Initiative will support the recruitment and functioning of a Board of Directors, composed of a majority of independent representatives with no affiliation nor material financial ties with the 2° Investing Initiative.

2. Not to derive any revenue from Asset Data Provider

The 2° Investing Initiative abandons any right to derive revenues on the intellectual property transferred to Asset Data Provider or the ownership of its equity shares. Notably, the 2° Investing Initiative will not derive any revenue from royalties, revenue sharing agreements, or dividends.

3. To grant the proceeds from a potential sale of Asset Data Provider

If Asset Data Provider's Board decides to privatize the company, the proceeds from the sale of its shares will be granted by the 2° Investing Initiative to non-for-profit organization(s) with no affiliation nor any material financial ties with the 2° Investing Initiative and other non-executive or executive directors of Asset Data Provider.



Stanislas Dupré

*CEO of the 2° Investing Initiative
President of Asset Data Provider*

A handwritten signature in black ink, appearing to be 'S. Dupré'.