

# How investors use TPI data



<b>Name of organisation</b>	Builders Vision
<b>Type of organisation</b>	Asset Owner
<b>AUM</b>	Undisclosed
<b>Asset class/s covered by case study</b>	Public Equities and Fixed Income
<b>Country/region of operation</b>	United States

## Introduction

Driven by the urgency of today's societal and environmental challenges, Builders Vision supports innovators working to build a better future. Founded by Lukas Walton, we focus on three interconnected areas: oceans, food & agriculture, and energy.

## Why are you using TPI data?

Good data is at the heart of our efforts across the oceans, energy, and food and agriculture sectors. We use TPI data because we value the forward-looking analysis of how companies are managing the climate transition.

TPI identifies gaps in data that companies should disclose, enabling their shareholders to make informed, robust decisions about transition risk. Companies owe it to their investors to give them the full picture, and this tool enables that to happen. We also believe the companies best at managing the risks and opportunities of climate change will ultimately outperform, thriving in a time where the effects become more acute.

Many of TPI's supporters are highly engaged shareholders, using TPI data to inform not only portfolio level decisions but their organization's engagement work to improve transition work. We wanted to be part of that and last year took the step to publicly support TPI and joined the initiative's Strategic Asset Owner Advisory Committee.



Company number: 13680867

## What do you do with TPI data?

We invest a significant portion of our public equity exposure through FTSE's TPI Index series. We like the series' combination of FTSE's index design expertise and TPI's forward looking analyses of how companies manage the climate transition. From a portfolio construction standpoint, this product offers us a scalable product capable of growing over time; it's highly diversified, liquid and cost-effective [when implemented as a passive index account].

We are also increasingly using TPI's open-source data to inform other portfolio decisions, such as, "Have companies we no longer invest in made progress toward the climate transition and warrant reconsideration?"

We've applied the data to our actively managed strategies and used it to

- Engage with those managers in meaningful conversations about their engagement with underlying portfolio company holdings.
- Conduct scenario analysis to understand where most emissions in our portfolio reside and why.
- Understand what the tracking error would look like on a lower emissions portfolio, etc.

As a result, the data has informed some broader portfolio decisions.

## Example

We seek to be engaged asset owners, using our stock ownership to encourage aligned corporate behaviours and long-term value creation. TPI's data is key here. For example, this data helps us identify companies in our sectors of interest with low Management Quality (MQ) scores and/or unaligned carbon performance scores.

## What were the outcomes?

By using TPI data, we identified companies with MQ of Level 3 and unaligned carbon performance scores. The TPI framework allowed us to identify potential areas of engagement. TPI has allowed us to lay the groundwork for becoming more informed investors and active shareholders.