# Helping Builders Vision in public equities and fixed income decision making

**Builders Vision** supports innovators working to build a better future. Founded by Lukas Walton, Builders Vision focus on three interconnected areas: oceans, food & agriculture, and energy.

## Driven by the urgency of today's societal and environmental challenges

Good data is at the heart of our efforts across the oceans, food & agriculture, and energy sectors.

We believe the companies best at managing the risks and opportunities of climate change will ultimately outperform, thriving in a time where the efforts 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, joining the initiative's Strategic Asset Owner Advisory Committee.

> **We use TPI data because we value 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.**

## Real world use

- **Portfolio construction:** we invest a significant portion of our public 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 their 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).

- **Decision-making:** 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?"

- **Actively managed strategies:** we have applied the data to our actively managed strategies and use it to (i) Engage with managers in meaningful conversations about their engagement with underlying portfolio holding companies; (ii) Conduct scenario analysis to understand where most emissions in our portfolio reside and why; (iii) Understand what the tracking error would look like on a lower emissions portfolio. As a result, the data has informed broader portfolio decisions.

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 (CP) scores.

## Benefits gained from using TPI data

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