

Scientific Beta unveils complimentary state-of-the-art ESG and climate risk reporting

Reporting available free of charge for all of Scientific Beta's indices

Scientific Beta, the smart beta index provider, has announced the release on the Scientific Beta platform (www.scientificbeta.com) of enhanced Environmental, Social and Governance (ESG) and climate risk reporting that aims to assist investors in meeting the challenges and seizing the opportunities of incorporating ESG dimensions into passive investment management.

Commenting on the new reporting suite, Professor Noël Amenc, CEO of Scientific Beta, said, "Scientific Beta is proud to be presenting cutting-edge ESG and climate risk reporting that is available for all of Scientific Beta's indices, including our ESG and Low Carbon indices. Climate risk reporting is particularly important in the factor investing space, because factor strategies often have larger carbon footprints than cap-weighted indices."

Scientific Beta's enhanced ESG reporting includes over a dozen reports covering ESG Norms and climate change. Offered on a complimentary basis and available not only for ESG indices but across the entire index offering, it provides unparalleled pre-selection and ongoing transparency on index exposure to ESG issues at the top of institutional investor concerns. As such, it facilitates the incorporation of ESG dimensions in investment analysis and decision-making as well as performance measurement and reporting.

Scientific Beta recognises the diversity of investor motivations justifying the incorporation of ESG dimensions into investment selection and management and its enhanced ESG reporting is designed to serve the needs of ethical and socially responsible investors as well as those of business-case ESG investors.

The white paper describing the enhanced ESG analytics that are available on the Scientific Beta platform and illustrating how to use these to assess index-based investments against ESG standards or, where relevant, to proxy exposure to ESG risks, can be accessed through the link below:

[Scientific Beta Enhanced ESG Reporting – Supporting Incorporation of ESG Norms and Climate Change Issues in Investment Management](#)



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To visit our web site: www.scientificbeta.com

About Scientific Beta

Scientific Beta aims to be the first provider of a smart beta indices platform to help investors understand and invest in advanced beta equity strategies.

Established by EDHEC-Risk Institute, one of the top academic institutions in the field of fundamental and applied research for the investment industry, Scientific Beta shares the same concern for scientific rigour and veracity, which it applies to all the services that it offers investors and asset managers.

The Scientific Beta offering covers three major services:

- **Scientific Beta Indices**

Scientific Beta Indices are smart beta indices that aim to be the reference for the investment and analysis of alternative beta strategies. Scientific Beta Indices reflect the state-of-the-art in the construction of different alternative beta strategies and allow for a flexible choice among a wide range of options at each stage of their construction process. This choice enables users of the platform to construct their own benchmark, thus controlling the risks of investing in this new type of beta (Smart Beta 2.0).

Within the framework of Smart Beta 2.0 offerings, Scientific Beta provides access to smart factor indices, which give exposure to risk factors that are well rewarded over the long term while at the same time diversifying away unrewarded specific risks. By combining these smart factor indices, one can design very high performance passive investment solutions.

- **Scientific Beta Analytics**

Scientific Beta Analytics are detailed analytics and exhaustive information on its smart beta indices to allow investors to evaluate the advanced beta strategies in terms of risk and performance. The analytics capabilities include risk and performance assessments, factor and sector attribution, and relative risk assessment. Scientific Beta Analytics also allow the liquidity, turnover and diversification quality of the indices offered to be analysed. In the same way, analytics provide an evaluation of the probability of out-of-sample outperformance of the various strategies present on the platform.

- **Scientific Beta Fully-Customised Benchmarks and Smart Beta Solutions** is a service proposed by Scientific Beta, and its partners, in the context of an advisory relationship for the construction and implementation of benchmarks specially designed to meet the specific objectives and constraints of investors and asset managers. This service notably offers the possibility of determining specific combinations of factors, considering optimal combinations of smart beta strategies, defining a stock universe specific to the investor, and taking account of specific risk constraints during the benchmark construction process.

With a concern to provide worldwide client servicing, Scientific Beta is present in Boston, London, Nice, Singapore and Tokyo. As of December 31, 2018, the Scientific Beta indices corresponded to USD 43bn in assets under replication. Scientific Beta has a dedicated team of 52 people who cover not only client support from Nice, Singapore and Boston, but also the development, production and promotion of its index offering. Scientific Beta signed the United Nations-supported Principles for Responsible Investment (PRI) on September 27, 2016. On November 27, 2018, Scientific Beta was presented with the Risk Award for Indexing Firm of the Year 2019 by the prestigious professional publication Risk Magazine.

