

SELF-PACED CURRICULUM

Climate Risk, Valuation, and Investing Certificate

Learning Goals

- Understand climate science, evaluate risks and opportunities, analyze carbon pricing, and grasp regulatory responses.
- Analyze corporate transition plans, assess green energy investments, interpret financial instruments, and understand disclosure frameworks.
- Assess climate-related impacts on portfolio performance and valuation, discuss risk management tools, evaluate implications on investment decisions, and develop strategies for engagement and stewardship.
- Analyze climate impact in asset classes, evaluate climate resilience, and assess sustainability in infrastructure.

Course 1: Climate Science, Risks, and Regulations

This course will provide you with a working understanding of climate science, the associated climate-related risks and opportunities for corporations and investors, and the regulatory responses. In this course, you will gain a deep understanding of the climate forces shaping our planet and how these translate into real-world opportunities and challenges for both corporations and investors. You will also explore how regulations influence the way that businesses and investors respond.

By the end of this course, you will gain the knowledge and skills necessary to understand the evolving landscape of climate change and be well-equipped to make and communicate informed climate-related decisions in the corporate and investment world.

- Demonstrate understanding of climate science
- Describe client objectives and differentiate between various institutional investors and retail investors
- Evaluate climate-related risks and opportunities
- Discuss key elements of the Just Transition and why it matters
- Demonstrate understanding of global and national regulatory responses
- Analyze the economics of carbon pricing and the effectiveness of carbon pricing mechanisms

Module 1: Basic Facts and Findings from Climate Science

- Lesson 1: Introduction and Fundamentals of the Climate System
- Lesson 2: What is Responsible for Climate Change?
- Lesson 3: Understanding Past, Contemporary, and Future Climate Change
- Lesson 4: Climate Change Adaptation, Mitigation, and Geoengineering

Module 2: Climate-Related Risks and Opportunities

- Lesson 1: Physical Risks
- Lesson 2: Transition Risks
- Lesson 3: Why Climate Risks Are Financial Risks
- Lesson 4: Climate Opportunities
- Lesson 5: The Just Transition

Module 3: Client Objective

- Lesson 1: Physical Risks

Module 4: Regulatory Response

- Lesson 1: History and Roles of Multilateral Treaties and Agreements
- Lesson 2: Multilateral Efforts of Financial Regulators
- Lesson 3: Main Types of National and Regional Policy Tools

- Lesson 4: Regional Comparisons of APAC, EMEA, and AMER

Module 5: Carbon Markets

- Lesson 1: What are Carbon Emissions and How Are They Measured?
- Lesson 2: Types of Carbon Instruments
- Lesson 3: Compliance Markets and Pricing Mechanisms
- Lesson 4: Corporate Responses to Carbon Pricing

Module 6: Praxis Assignment

- Complete and submit Praxis assignment
- Evaluate two peer Praxis assignment submissions

Course 2: Transition Finance

This course delves into corporate transition planning and its significance in addressing climate change risks and opportunities. The key focus of this course is to help the financial analyst understand how companies make their transition plans, what frameworks and standards they have at their disposal, and how they make decisions around investing and financing for transition plans. All these decisions would eventually have an impact on their financial performance and valuation.

By the end of this course, you will gain the knowledge and skills necessary to analyze a company's transition plan, and how these activities will be financed, and the risks and opportunities to the company and its investors.

- Analyze transition plans for corporations
- Evaluate the implications of corporate transition strategies on investment analysis and valuations
- Assess investment opportunities in green energy and technology while understanding the inherent challenges
- Interpret the principles and components of various green financial instruments
- Analyze the requirements and effectiveness of key frameworks and standards driving climate-related corporate disclosure

Module 1: Importance of Transition Finance, Frameworks, and Standards

- Lesson 1: Concepts of Transition Planning
- Lesson 2: Key Drivers of Corporate Transition Plans: Regional and International Frameworks
- Lesson 3: Implementation of Corporate Transition Plans
- Lesson 4: Financial Market Assessment of Corporate Transition Plans

Module 2: Financing Decisions

- Lesson 1: Sustainable and Green Financial Products and Instruments
- Lesson 2: Emergence of Transition Bonds and the Risks of Greenwashing with Green, Social, and Transition Bonds

Module 3: Investing Decisions

- Lesson 1: Introduction and Definition of Green Energy and Technology Investments
- Lesson 2: General Opportunities and Challenges of Green Investments
- Lesson 3: Specific Opportunities and Challenges of Green Energy Investments and Green Technology Investments

Module 4: Disclosures and Reporting

- Lesson 1: Landscape of Climate Disclosures
- Lesson 2: Effectiveness of Key Frameworks
- Lesson 3: Key Drivers and Elements of Climate-Related Disclosure
- Lesson 4: Understanding Materiality and Greenwashing and Regulations to Combat It

Module 5: Praxis Assignment

- Complete and submit Praxis assignment
- Evaluate two peer Praxis assignment submissions

Course 3: Climate and Valuation: Listed Equity and Debt

This course is designed to provide investment professionals with an understanding of the nature of material climate-related risks and opportunities and their impacts on corporate performance and valuation. It will also explore various climate data, metrics, and tools, including stress testing and climate scenarios. The course will then focus on the application of these tools in analyzing two asset classes: equity and fixed income. Case studies from asset managers and asset owners will illustrate various approaches to integrating climate into the investment process.

By the end of this course, you will gain the knowledge and skills necessary to:

- Assess climate-related risks and impacts on corporate performance and financial valuation
- Discuss methodological tools to measure and manage climate-related financial risks
- Evaluate the implications of climate risks on investment decisions

Module 1: Climate Data, Metrics, and Tools

- Lesson 1: Impact of Climate Risks on Corporate Performance and Valuation

- Lesson 2: Landscape of Climate Reporting Metrics
- Lesson 3: Methodologies for Measuring and Assessing Climate Risks
- Lesson 4: Climate Stress Testing: Efforts from Central Banks and Financial Supervisors

Module 2: Analysis and Valuation for Equity

- Lesson 1: Frameworks for Integrating Climate Analysis into the Investment Process
- Lesson 2: Integrating Climate Considerations into the Investment Process
- Lesson 3: Impact of Material Climate Considerations on Company Valuation
- Lesson 4: A Case Study in Valuing Climate Opportunities
- Lesson 5: Assessing Climate Risks and Opportunities as an Asset Manager

Module 3: Analysis and Valuation for Fixed Income

- Lesson 1: Climate Integration Considerations for Equity and Fixed Income
- Lesson 2: Impact of Climate Factors on Equity and Debt Valuations
- Lesson 3: Carbon Transition Journey via Thematic Bonds
- Lesson 4: Integration of Climate Risk Within Sovereign Debt
- Lesson 5: Antofagasta Case Study

Module 4: Praxis Assignment

- Complete and submit Praxis assignment
- Evaluate two peer Praxis assignment submissions

Course 4: Climate and Valuation: Alternatives

This course is designed to provide investment professionals with an understanding of the strengths and limitations of integrating climate risks and opportunities in the investment process. It covers four key asset classes: Private Equity, Private Debt, Infrastructure, and Real Estate. Participants will gain knowledge of climate-related tools and metrics for asset valuation and assess the strengths and limitations of managing each asset class in the context of climate change. The course will provide case studies from asset managers and asset owners to illustrate various approaches to integrating climate into the investment process.

By the end of this course, you will gain the knowledge and skills necessary to:

- Analyze climate change impact and management in private equity
- Evaluate climate considerations in private debt

- Assess climate resilience and risk management in infrastructure investments
- Assess climate risk and sustainability in real estate investments

Module 1: Private Equity

- Lesson 1: Strengths and Weaknesses of Managing Private Equity in Relation to Climate Change
- Lesson 2: Key Tools and Metrics for Valuation of Private Equity
- Lesson 3: Integrating Climate Risks and Opportunities

Module 2: Private Debt

- Lesson 1: Key Attributes of Private Debt Ecosystem
- Lesson 2: Characteristics of Private Debt Instruments in Relation to Climate Change
- Lesson 3: Use of Key Climate Tools and Metrics in Debt Origination and Assessment of Debt Instruments
- Lesson 4: Common Challenges in the ESG Private Debt Domain

Module 3: Infrastructure

- Lesson 1: Climate Risk Assessment for Infrastructure Investments
- Lesson 2: Infrastructure Finance: Resilience Planning for Infrastructure Investment
- Lesson 3: ESG Performance Standards and Blended Finance
- Lesson 4: Role of Green Infrastructure and Sustainable Development in Mitigating Climate Risks

Module 4: Real Estate

- Lesson 1: The Effects of Climate Change on Real Estate Investments
- Lesson 2: Key Climate-Related Tools and Metrics Impacting Valuation of Real Estate
- Lesson 3: Sustainable Building Practices and Green Certification

Module 5: Praxis Assignment

- Complete and submit Praxis assignment
- Evaluate two peer Praxis assignment submissions

Course 5: Portfolio Management and Stewardship for Climate Risk

This course is designed for financial professionals seeking to deepen their understanding of the impacts of climate change on Portfolio Management, Risk Management, and Engagement and Stewardship. Participants will explore the integration of climate-related factors into portfolio construction and risk management and develop strategies for engaging with

companies on climate issues. Through a combination of theoretical concepts and real-world case studies, participants will gain the knowledge and skills necessary to navigate the evolving landscape of climate change and sustainable investing in portfolio management.

By the end of this course, you will gain the knowledge and skills necessary to:

- Integrate climate risks and opportunities into portfolio management
- Analyze and apply climate risk management techniques in investment portfolios
- Evaluate asset manager selection and stewardship in climate risk integration
- Analyze strategies for effective shareholder engagement and active ownership

Module 1: Integrating Climate Considerations in Portfolio Management

- Lesson 1: Approaches for Integrating Climate Risks and Opportunities
- Lesson 2: Frameworks for Portfolio Decarbonization
- Lesson 3: Role of Climate-Related Data and Metrics in Portfolio Decision Making
- Lesson 4: Risk-Return Dynamics of Portfolio Optimization in Equities
- Lesson 5: Risk-Return Dynamics of Portfolio Optimization in Fixed Income
- Lesson 6: Climate Benchmarks and Approaches to Managing Passive Portfolios
- Lesson 7: Discretionary and Quantitative Approaches to Managing Portfolios

Module 2: Managing Climate Risks, Emission Attribution Methodologies

- Lesson 1: Techniques for Managing Climate Risks Within Investment Portfolios
- Lesson 2: Emissions Attribution Methodologies

Module 3: Climate Integration in Manager Selection

- Lesson 1: An Asset Owner's Perspective on Climate Integration in Manager Selection

Module 4: Stewardship and Engagement

- Lesson 1: Purpose and Benefits of Investor Engagement and Stewardship
- Lesson 2: Main Principles and Requirements of Stewardship Codes
- Lesson 3: Strategies for Effective Shareholder Engagement and Active Ownership
- Lesson 4: Hypothetical Case Study: Following a Process for Engagement

Module 5: Praxis Assignment

- Complete and submit Praxis assignment
- Evaluate two peer Praxis assignment submissions



Certificate

Receive a shareable certificate and digital badge upon finishing all courses.
20 PL credits



12-month access to learning materials



Study time

100 hours to complete.
Intermediate level



Online self-paced or Cohort

Your choice is yours. This outline is the self-paced program.



Who should enroll

Industry professionals who conduct analysis and portfolio construction, including analysts, portfolio managers, private wealth managers, product specialists, relationship managers, and roles that support these activities. Professionals who need to communicate climate principles and explain decisions to clients or colleagues.