

This carbon calculator illustrates the difference in financed carbon emissions of the selected EQ portfolio(s) and a market equity index representing global companies (SPDR MSCI ACWI IMI UCITS ETF).

Financed emissions

We use reported and estimated carbon emissions equivalents data from Clarity AI per holding company. We only cover equity holdings for this carbon calculator to allow for full comparability, and reweight to 100%.

To calculate the financed emissions we adhere to the “Global GHG accounting & reporting standard for the finance industry by [PCAF](#). While PCAF mandates the inclusion of Scope 1 and 2 carbon data at this point, they encourage the inclusion of Scope 3 where possible (mandated by 2026). Please see below a brief explanation of these emissions scopes as defined by the [Greenhouse Gas Protocol](#):

- Scope 1- covers direct emissions from owned or controlled sources. For example, the emissions from a companies’ power plant.
- Scope 2- covers indirect emissions from the generation of purchased electricity, steam, heating and cooling. For example, the electricity purchased for company offices.
- Scope 3- covers all other indirect emissions that occur in a company's value chain. For example, upstream emissions include the emissions associated with the purchase of raw materials to make products; downstream emissions include the emissions associated with the use of the products by customers.
- For most sectors, Scope 3 emissions present the majority of emissions.

Financed emissions are calculated as follows:

For listed companies:

$$Financed\ emissions = \sum_c \frac{Outstanding\ amount_c}{Enterprise\ Value\ Including\ Cash_c} \times Company\ emissions_c$$

We then create a weighted average across the portfolio holdings and adjust for missing data by reweighting to 100%.

Equivalents

The equivalents are presented to illustrate the difference in financed emissions. The financed emissions by the selected EQ portfolio (s) is subtracted from the financed emissions associated with investing the same amount into a market equity index representing global companies (**SPDR MSCI ACWI IMI UCITS ETF**).

This difference is converted to equivalents of activities or products embodying different carbon emissions. These are listed below, with the source of the proxy.

What to call it?	Definition	Conversion factor	Source
"taking a car off the road"	Number of tCO2e emissions per average passenger vehicle per year	4.6	Source

"power an average UK home"	Average annual tCO2e emissions per UK home per year (heating and electricity)	4.05	Source
"flight from London to New York"	Average tCO2e emissions per flight from LDN to NY	0.59	Source
"eating one beef cheeseburger"	Average tCO2e emissions associated with eating 1 beef cheeseburger	0.004	Source
"driving from London to Glasgow by car"	Average tCO2e emissions associated with 1 petrol car journey from London to Glasgow	0.09	Source
"boiling the kettle"	Average tCO2e emissions associated with boiling 1 kettle	0.000007	Source