



LITTLE BLUE RESEARCH CASE STUDY

# **Developing software to** quantify climate change risk

**Client: Jade-Eli Technologies** 

**Client size: SME** 

Little Blue Research supported the development of a demonstration software application using climate change scenario data to identify natural capital dependencies faced by banks in their loan portfolios.

Service: Freelance: research & expert support

**Capital: NATURAL** 

**Assessment location: Global** 



## **Case study details**

#### Client need

Jade-Eli Technologies (JET) required support to produce a demonstration software application to identify natural capital dependencies faced by banks. JET wanted the application to show a range of environmental variables associated with climate change accessed through APIs and configured to allow for risk quantification within a dedicated technological solution for computers and mobile phones. The Italian wine industry was used as an example.

#### The challenge

- Setting out a detailed dependency pathway for the Italian wine industry linking drivers of change (climate) to relevant natural capital assets and resulting impact on the finances of businesses within the sector.
- Reviewing relevant climate data to be accessed by the application.

### **Outputs and results**



Research methodology for the design of dependency pathways based on the Natural Capital Finance Alliance (NCFA) Banking framework for integrating natural capital risk into decision making for banks.



Research methodology presentation at the JET quarterly breakfast at the Banking Club in Frankfurt.

### What happened next

JET shared the approach with clients to demonstrate the use of scenario analysis for understanding climate change risk in a financial institution context. Little Blue Research has supported other banks to develop approaches to climate related risks.

