



# Streamline “Green MiFID” Compliance with Advanced Tech and Accurate Data Coverage

Since August 2, the new MiFID II directive requires financial advisors to:



- Include sustainability preferences in the suitability test for both new and existing clients within a year
- Explain the sustainability of client portfolios even if they have not expressed any preference for sustainable products
- Offer financial products that match client sustainability preferences



## Clarity AI's solution

- 1 Built on market-leading SFDR (PAIs and sustainable investment - Art 2.17) and EU Taxonomy data**  
For your sustainable product offerings, as required by the regulation
- 2 Automated and ready-to-use SaaS: Gain efficiency and save up to 50% of time and money**  
Directly integrated into your workflow



## 1 Built on market- leading SFDR and EU Taxonomy data

Leverage the broadest, most reliable data coverage available for SFDR (PAIS and sustainable investment - Art 2.17) and EU Taxonomy.

*Enhanced with EETs data ingested from fund manufacturers*

### Data Coverage

**50,000+**  
companies

**>98%**  
of the ACWI

**2-13x**  
that of other providers,  
including all legacy  
brands

### Data Accuracy

>1 million data points processed each week via machine learning algorithms:

- ✓ to contrast overlapping reported data,
- ✓ to select the best option, and
- ✓ to estimate missing data.

>100,000 articles from 33,000 trusted news sources assessed every day through Natural Language Processing:

- ✓ to keep company controversies up to date,
- ✓ to remove biases.

*Learn more about our solutions for: [SFDR](#) and [EU Taxonomy](#)*

## Client testimonial



*Clarity AI stands out from its peers because of the level of machine learning, multiple sources of ESG data and usage of big data rather than relying on data analysts. We are now spending less time on data gathering and instead focusing more on developing our ESG analysis as well as integrating Clarity AI's data into our portfolio management system even more broadly."*

*–Head of Responsible Investments, Large Nordic Insurer*

We also support enterprise SFDR reporting of: **BlackRock**



## Case Study: Using ESG data for new MiFID II compliance will lead to inefficiency, inaccuracy, and reputational risk

### What others are doing

Using shortcuts based on ESG data such as ESG scores

### Implications

1

**2x time and money** spent to correct for simplistic and non-compliant solutions

2

**Risks associated with ESG scores:** lack of transparency, subject to biases, and designed for institutional investors - directionally opposed to MiFID II goals

3

**Non compliance risk** since EU Taxonomy alignment and PAIs are overlooked

### How Clarity AI can solve it

Scalable and adaptable tech trained by sustainability and regulations experts with clear insights

## Easy compliance with new MiFID II requirements to address both regulators and clients needs

Clarity AI's **MiFID Classifier** and **Full Dataset** offerings allow you to meet your clients where they are on their sustainability journey

**EU Taxonomy**  
alignment

**SFDR**  
Article 2.17  
Sustainable  
Investment

**PAIs**  
consideration



## 2 Automated and ready-to-use SaaS

Gain efficiency and save up to 50% of time and money with our product classifier that integrates into your current process in less than a month



### Unique to Clarity AI

- **Comprehensive alignment for all your investment universe**, with EU Taxonomy, PAIs and % of sustainable investment data for 50,000+ companies, 300,000+ funds and multi-asset portfolios
- **Intuitive classification system**, integrated into your current processes in less than a month
- **Increased advisor sustainability expertise**, with transparent and comprehensive data to meet any client's profile
- **Time and money saved**, with full flexibility to accommodate your strategy (access to full dataset)
- **Expanded sustainability practices** to better address your clients' preferences and values

Independent analysts and current clients agree that Clarity AI is a Leader



“ They understood nuances that their competitors didn't even know existed”

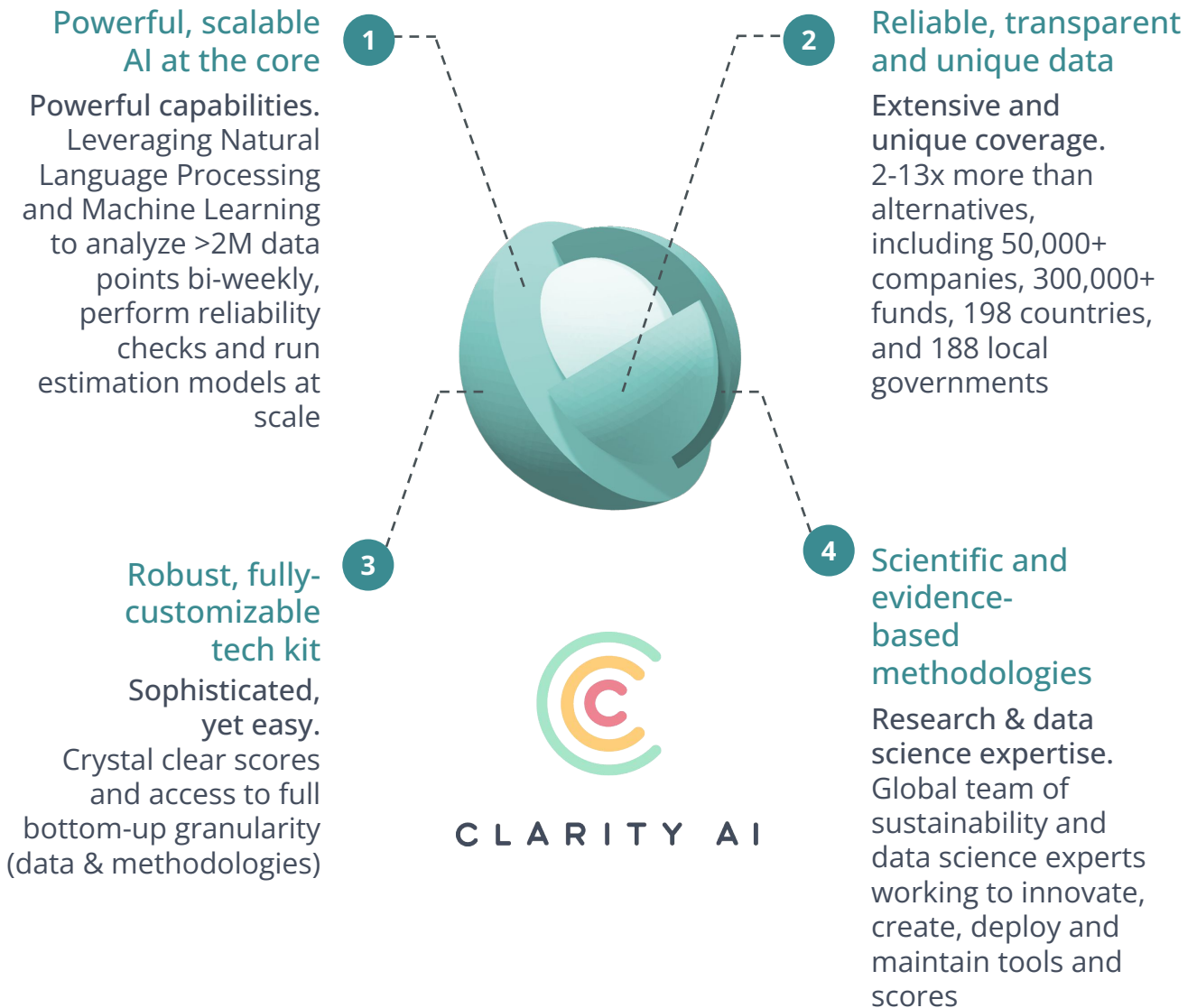
*It's very easy to see a company's alignment with technical standards”*

- Clarity AI customer quotes from *The Forrester New Wave™: ESG Ratings, Data, And Analytics, Q3 2022*



# Clarity AI: Powerful, scalable tech at the core

Trained by technology, data and subject matter expertise





## About Clarity AI

Clarity AI is a sustainability technology platform that uses machine learning and big data to deliver environmental and social insights to investors, organizations, and consumers. As of August 2022, Clarity AI's platform analyzes more than 50,000 companies, 300,000 funds, 198 countries and 188 local governments – 2-13 times more than any other player in the market – and delivers data and analytics for investing, corporate research, benchmarking, consumer ecommerce and reporting. Clarity AI has offices in North America, Europe, and the Middle East, and its investor client network is currently managing more than USD 30 trillion in assets, representing around 25% of the assets under management globally.

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