



Sovereign Supra: A New Extra-Financial Solution for Fixed Income Investments

The ASSET4 Sovereign Supra product provides investors with the information they require to assess the environmental, social, and governance characteristics of the non-listed portion of a fixed income investment strategy.

The universe covers issuer types including governments (developed and emerging markets), local authorities, supranationals, and state-owned and private companies. Investors may combine the Sovereign Supra product with ASSET4's equity-focused solution, *assetmasterProfessional™*, to facilitate a consistent and reliable classification schema across asset classes.

Methodology and coverage

The universe is divided into two groups, sovereigns and local authorities, and state-owned and private companies and supranationals. For each entity, ASSET4 gathers and monitors approximately 150 key performance indicators (KPIs) covering the three pillars of environment, social and governance. For sovereigns and local authorities, we have also added general information which can be incorporated into the comparisons. Data points have been selected based on relevance and availability. The current universe includes 202 countries, provinces and local authorities, as well as 160 quasi-government entities. Coverage is expanding rapidly and specific requests from clients can be accommodated.

Data content

The solution includes individual KPI values together with source information, offering the maximum degree of transparency. Rigorous quality control is applied to ensure accuracy and consistency. Scores for KPIs, categories, pillars, and final scores are also supplied. The data is updated annually with the latest available information.

Flexible solutions

ASSET4 acknowledges that each client has their own interpretation of what matters and the Sovereign Supra solution can accommodate specific investment policies. Clients may select a subset from our universe of entities, design their own calculation methodology based on data points of their choosing, and weight the results according to their views. Reports are now available in Excel and a web-based system is in development.

KPI Examples

Environment (43 KPIs)

▪ Emissions

Electricity Consumption per Capita
Total CO₂ Emissions
Carbon Intensity of Growth

▪ Resources

Nuclear Power
Use of Biomass and Waste
Use of Gas

▪ Biodiversity

Protected Areas
Convention on Biological Diversity
Ecological Footprint

Strategic Governance (19 KPIs)

▪ **Corruption**

Corruption Rank
Bribe Payers Index

▪ **Governance**

Banking System Regulation
National Code of Corporate Gov.
Basel Principles

▪ **Innovation**

R&D Expenditures
Internet Users
Students in Science

Social (92 KPIs)

▪ **Education**

Public Spending on Education
Literacy Rate

▪ **Health**

Life Expectancy at Birth
Infant Mortality Rate

▪ **Human Welfare**

Population Under the Poverty Line
Income Inequality

▪ **Human Rights**

Forced Migration
Freedom of Press

▪ **Discrimination**

Girls' Enrollment in Education / Boys
Unemployment Rate of Women / Men

▪ **Political Rights**

Democracy Rank
Abusive Arrests and Detentions

▪ **Labour Standards**

Freedom of Association
Minimum Wage

Countries include

Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, Estonia, Finland, France, Greece, Hong Kong, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Japan, Kuwait, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Panama, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Singapore, Slovak Republic, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Tunisia, Turkey, United Kingdom, United States of America, Venezuela, Vietnam

Local authorities include

Quebec, Ontario, Baden-Württemberg, Bayern, Berlin, Brandenburg, Bremen, Hessen, Niedersachsen, Nordrhein-Westfalen, Rheinland-Pfalz, Sachsen-Anhalt, Schleswig-Holstein, Thuringen, Catalunya, Comunidad Valenciana, Andalucia, Comunidad Madrid, Ayuntamiento de Madrid, City of Rome, Comune di Milano, Region of Lazio, Region of Sicily, Region of Campania, Sardinia Region, Region Marche, Friuli-Venezia, Region of Liguri, City of Naples, Tokyo Metropolitan Government, City of Moscow

State-Owned and Private Companies and Supranationals include

Caisse d'Amortissement de la Dette Sociale, Caisse Nationale des Autoroutes, Deutsche Bahn, Freddie Mac, La Poste, Réseau Ferre de France, Rentenbank, SNCF, ASFINAG, ERAP, Hypo Alpe-Adria-Bank International AG, Instituto de Credito Oficial, KfW, NRW.BANK, L-Bank, Oesterreichische KontrollBk., SCHIG, UNEDIC, European Investment Bank, International Bank for Reconstruction and Development, EUROFIMA, Inter-American Development Bank, Council of Europe, European Bank for Reconstruction and Development, Nordic Investment Bank Europe