

SCI Benefits for Investors & Companies

Investors

Risk Mitigation

- Provides first full risk mitigation strategy
- Addresses the most important form and source of investment risk – structural systemic risk
- Assesses systemic risks related to climate change and other SDG problems

Alpha — enhanced investment returns

- Superior Management, Superior Potential: companies that navigate the complex system change challenge effectively are highly likely to outperform
- SCI was developed by a pioneer in ESG investing - it goes beyond traditional ESG metrics to uncover hidden value in the market

AuM — attract new investment

- First responsible investment strategy with the potential to achieve SDGs
- Maximizes sustainability benefits, is likely to pull investment from existing ESG funds and expand the overall responsible investing market

Ease of Implementation

- Involves only minor change to ESG approaches by adding system change metrics to existing models
- Asset managers use enhances-ESG (SCI) ratings in the same way as current ratings to develop the same type of funds

Reputation

- Asset managers launching SCI funds will be seen as global responsible investing leaders for pioneering the first responsible investing strategy with the potential to achieve the SDGs

Companies

Sustainability leadership

- System change innovators address the most important and financially relevant sustainability issue
- Will be seen as the new sustainability leaders and best equipped to successfully tap into the business opportunities arising from a rapidly changing society

Superior risk management & resilience

- Position themselves for continued success and boost resilience by taking the big picture and long-term into account
- Are far more likely to be asked to help with future design (e.g. by governments) and are well prepared to handle ever tighter regulation & customer demands

Reputation

- Enhance reputation by substantially contributing to well-being of business & society, strengthens relationships with all stakeholders, increases market share
- Attract and retain best talent at a time when pressure on business to take more responsibility is growing, especially from employees

Financial community attractiveness

- Continued attractiveness for investors and financial community due to superior management quality and stock market potential

People & Planet

Whole system approaches grounded in the laws of nature are essential for achieving sustainability and the SDGs, protecting future generations, and securing the habitability of the planet.

Investors and businesses applying such approaches position themselves for long-term success