



WALL STREET GREEN SUMMIT

March 2024

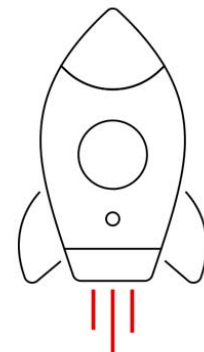
We put the **S** in ESG.



AWARDS



Winner 2021
Sustainable banking



Nominee 2021
Female Founder Award



14 Top Social Impact
Investment Startups Best
Startup Canada 2021 Winner



Top Women in Fintech
IT World Canada
2021 Winner



ESG Advocate of the Year
2020 Winner



36 Most Innovative
Predictive Analytics Companies
Futurology 2021 Winner



AIFINTECH100
Fintech Global
2021 Winner



Tie50 Global (Silicon Valley)
2019 Winner



Women in Wealth
Finalist 2018



i3 Innovacorp VC
Runner Up 2016



43 Leading Risk
Management Firms
Daily Finance 2021 Winner



Women of Influence
Nominee 2020 (2015 – 2020)
Finalist



SOCIAL RISK, WHERE S-FACTOR SITS.

ESG

Environmental, social, and governance-based investments often focus on material financial risks that affect companies.

VS.

SRI

Sustainable investing focuses on how investments can improve the world.



S-Factor sits at the intersection of **BIG DATA + REGULATION** for the **Social Factors** : Labour, Supply Chain, Health & Safety, Communities, Modern Slavery, Indigenous Rights, Ethics, Diversity et al.

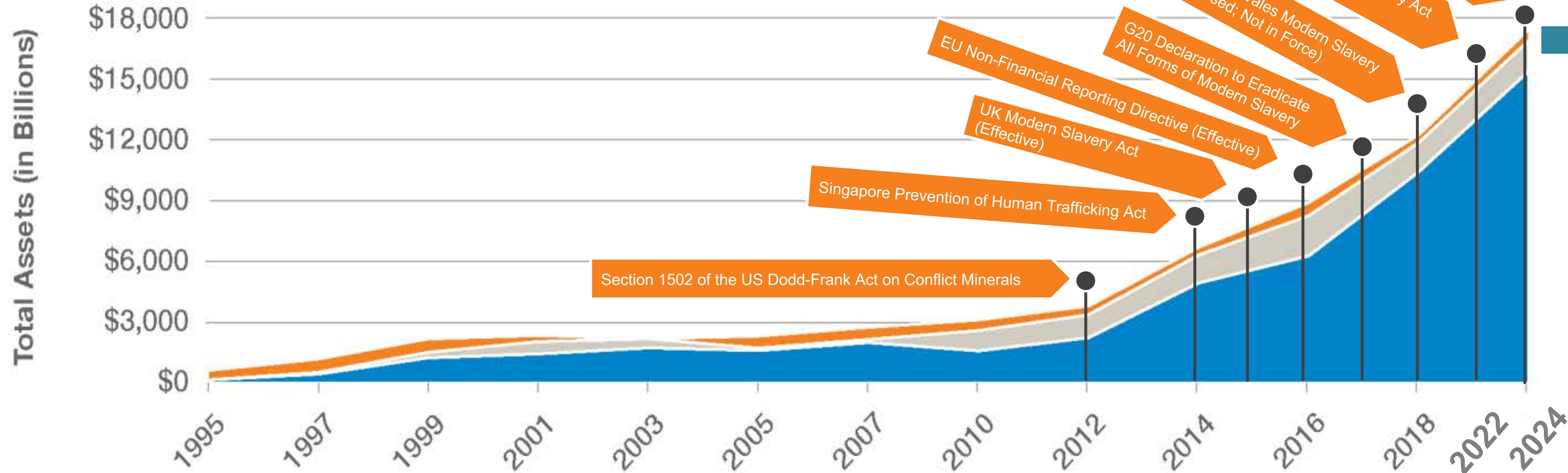




As the increase in demand for Responsible Investing practices grow, so to do the regulations for Social Factors such as modern slavery acts, forced and child labour enforcements and embargoes, health & safety violations and community impacts fines, penalties and loss time cost to businesses, and their investors.

Sustainable Investing in the United States 1995-2020

■ ESG Incorporation ■ Overlapping Strategies ■ Shareholder Advocacy

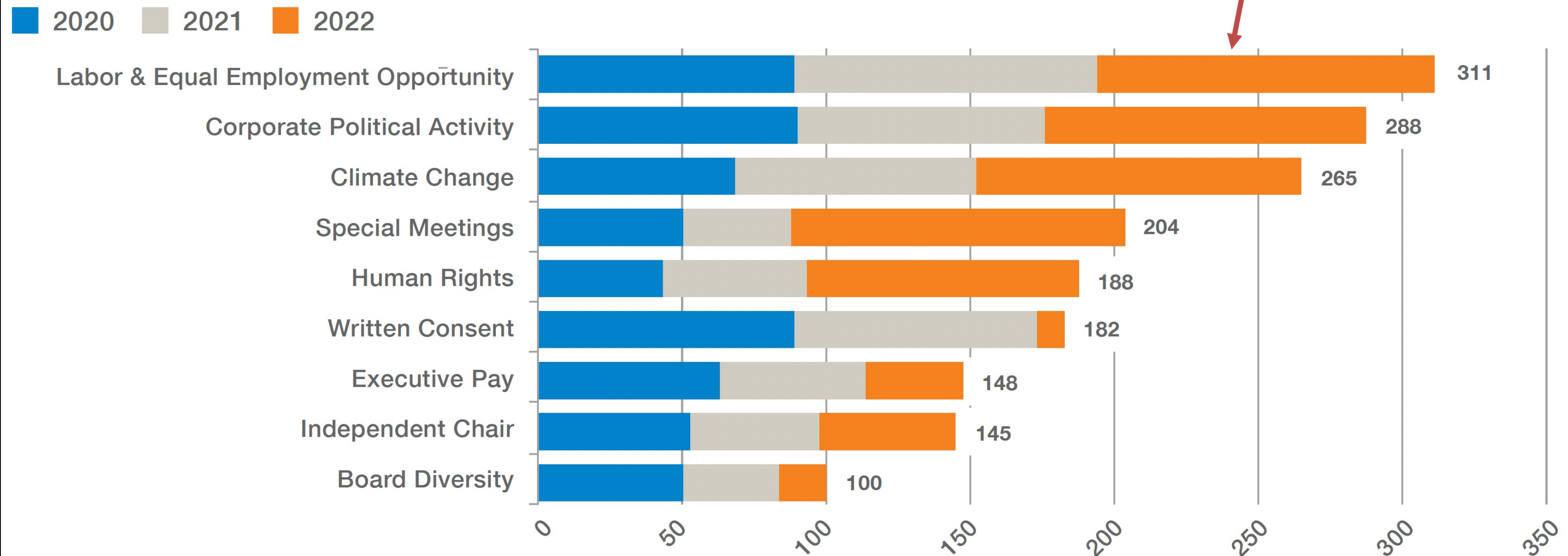


Source: US SIF 2022



In 2020 -2021, social issues surpassed Carbon / Emissions as the primary concern, based on Shareholder Proposals filled. In 2022 social issues surpassed all others. The demand for better social performance remains unmet due to the absence of 'S' data supply, to better inform subject and systems knowledge.

Leading ESG Issues 2020-2022, by Number of Shareholder Proposals Filed



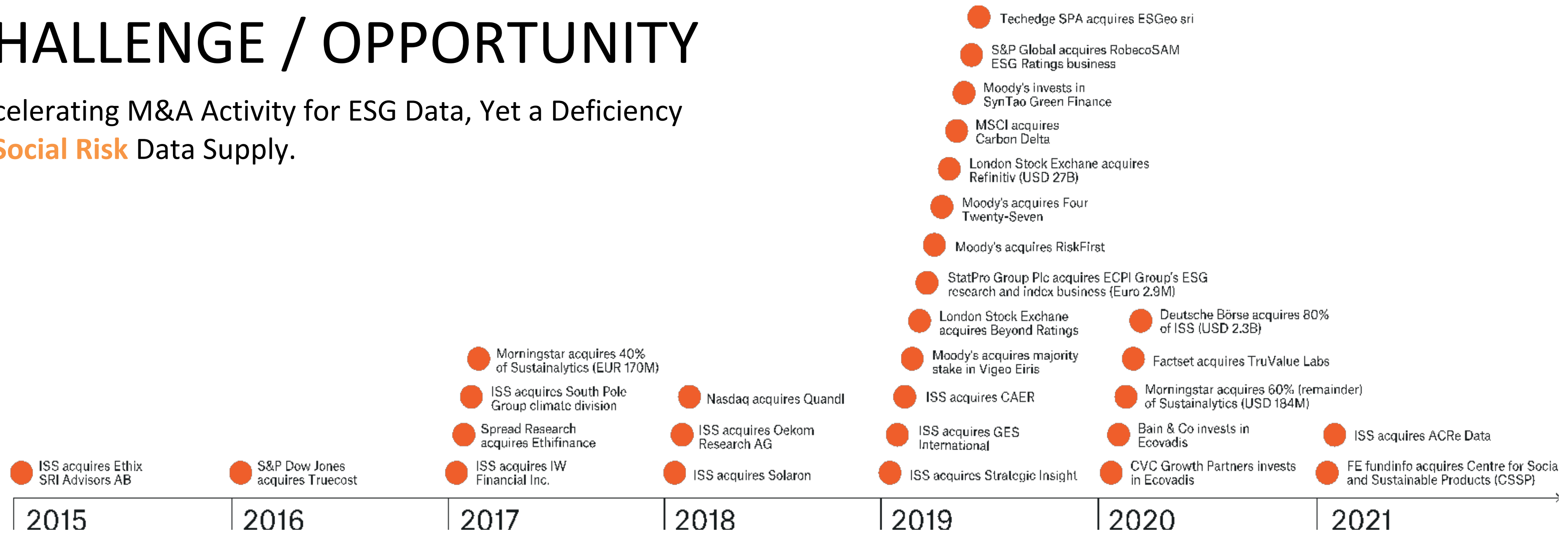
FRAMEWORK SOUP





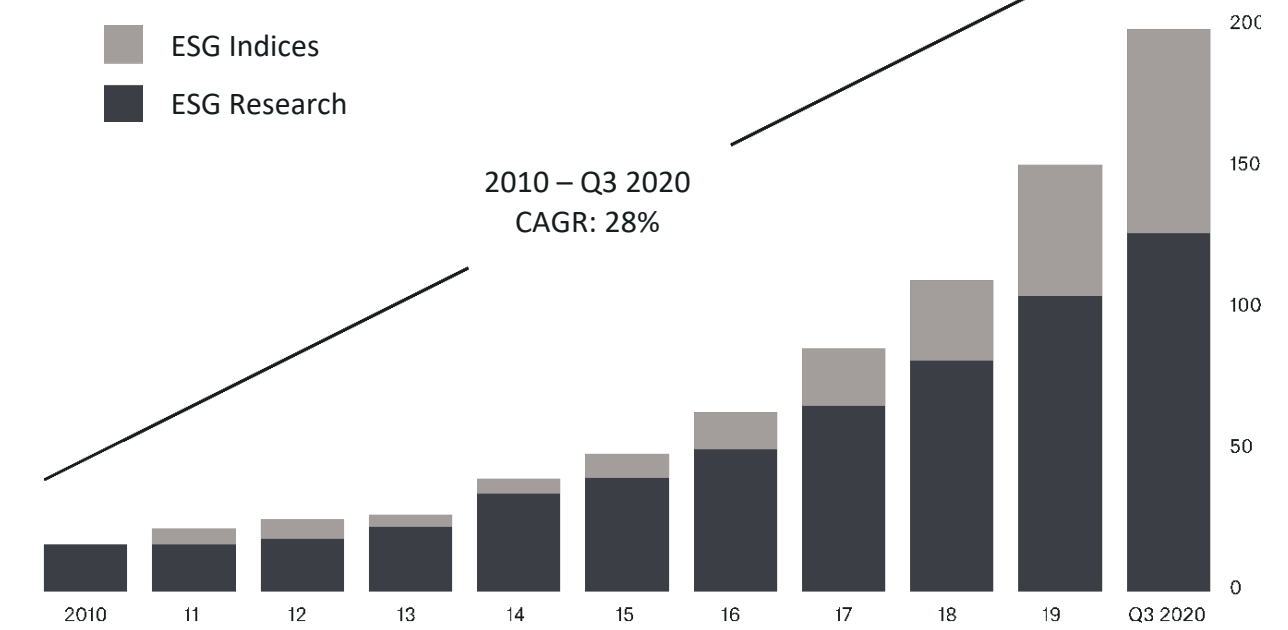
CHALLENGE / OPPORTUNITY

Accelerating M&A Activity for ESG Data, Yet a Deficiency in **Social Risk** Data Supply.



Source: S-Factor

What we know is that compounding market demand for responsible investments, is leading to a compounding demand for ESG data to supply relevant, material and timely information that investors can rely on. Through accelerated ESG M&A activity, ESG data resources have become limited. Yet we know that despite the emerging ESG monopolies, the gap in ESG social data persists. MSCI, one of the largest most comprehensive ESG data providers in the world has seen exponential growth in demand for their ESG products in recent years.



Source: MSCI

The Social Factor Fund

Series





TAXONOMY HIGHLIGHTS

Beyond theory is structure, standardization, norms-based screening, and universally applicable metrics. The power of a social taxonomy substantiates the methodologies used to produce rankings, ratings, and index outcomes. The taxonomy for social factors maps to 45 international best practice frameworks, resulting in 74 social specific and deep-dive themes, hundreds of indicators and thousands of metrics monitoring in a daily volume feed. The taxonomy is additionally informed by the global regulatory changes and enhancements in a timely fashion.

Sentiment

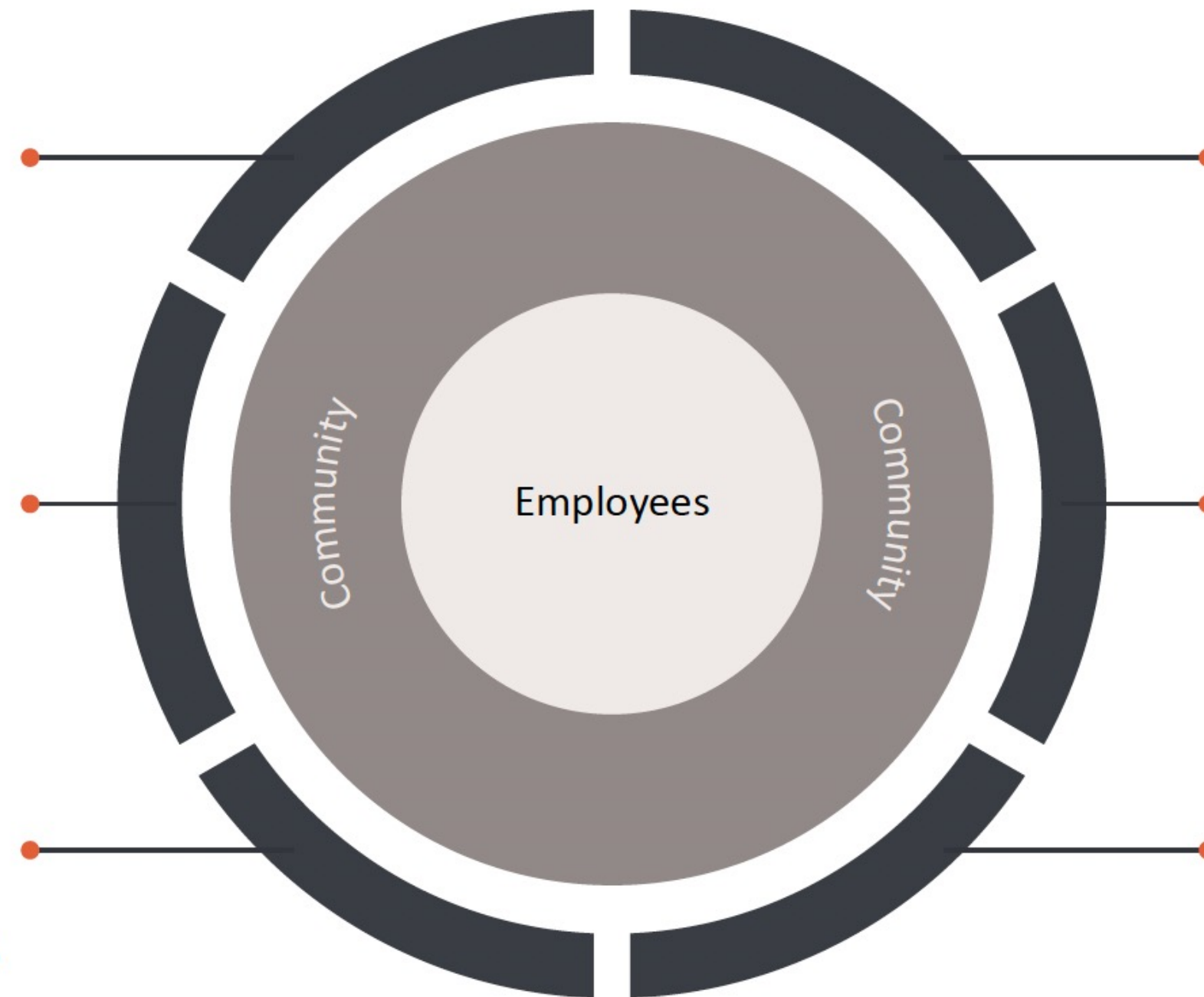
Monitoring companies' risks and reputation.

Controversy

Measures the effects of scandals or major events.

Government

Evaluates the role of regulation and governments', volatility or controversy by country and sector



Best Practice

Measures companies' adherence to international standards, codes, and law applied with specific social lens

Ethics

Measures adherence to policies and best-practice.

Supply Chain

Monitors control mechanisms for employment, labour and human rights standards.

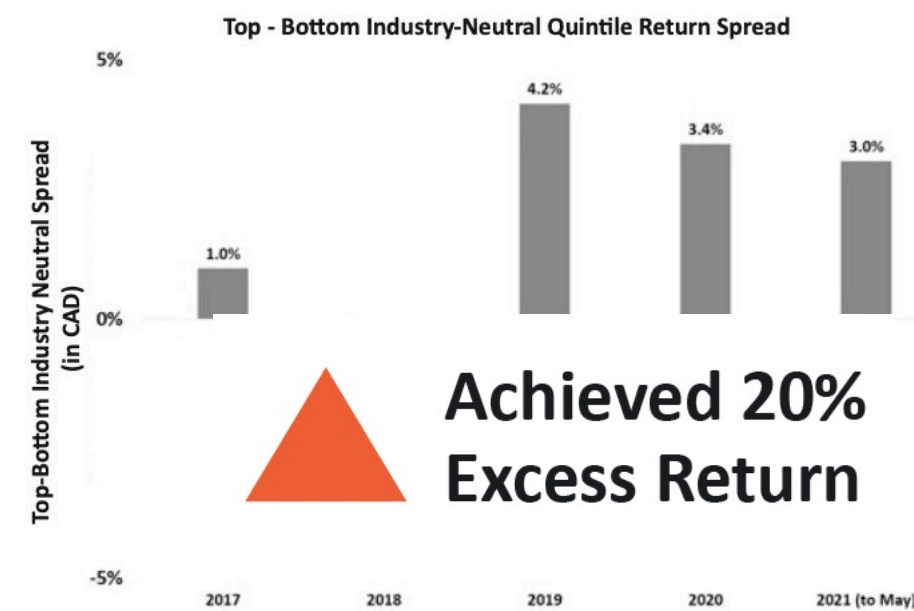


ALPHA TESTING OUTCOMES

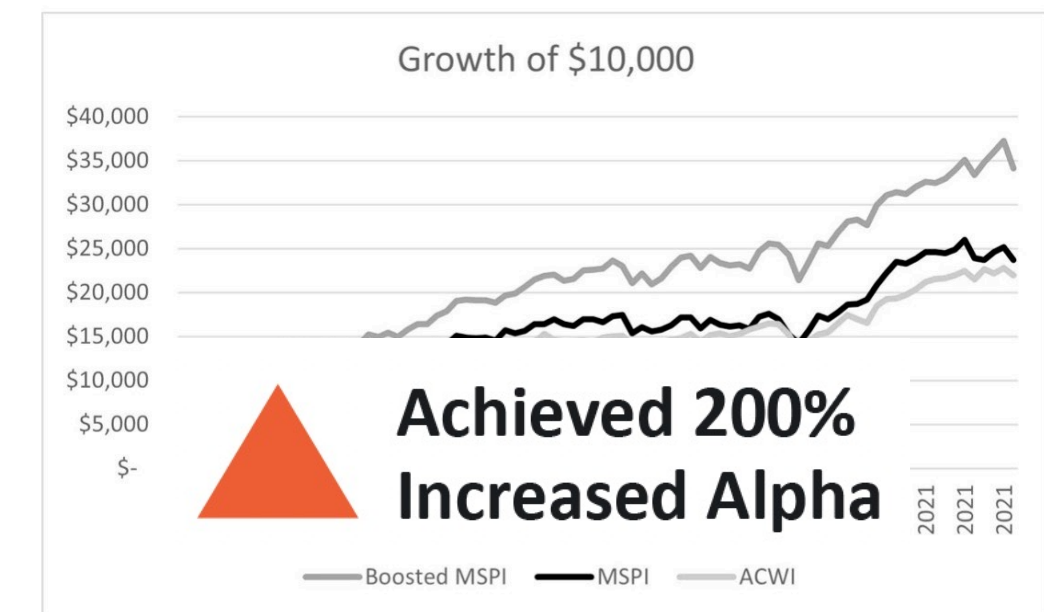
Drawing from hundreds of business cases developed by S-Factor, the quantitative application of S-Factor ratings has consistently demonstrated superior performance compared to the market and other benchmarks. Our refined tool originally designed for both the index and ratings market, has now been streamlined for our own Social Factor Fund series. See the report “Inside S-Factor” for more detailed information on the testing.



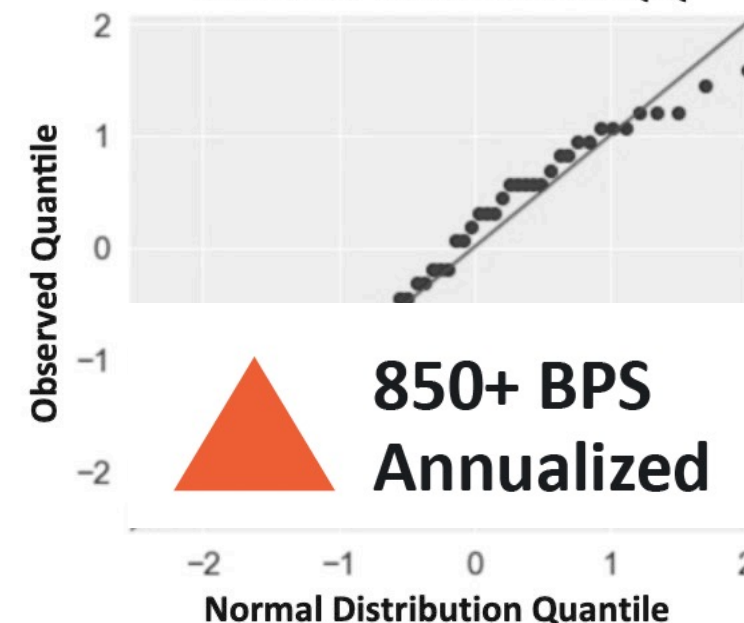
Study 1



Study 2



5M Period IC Normal Dist. Q-Q



Study 3



Study 4

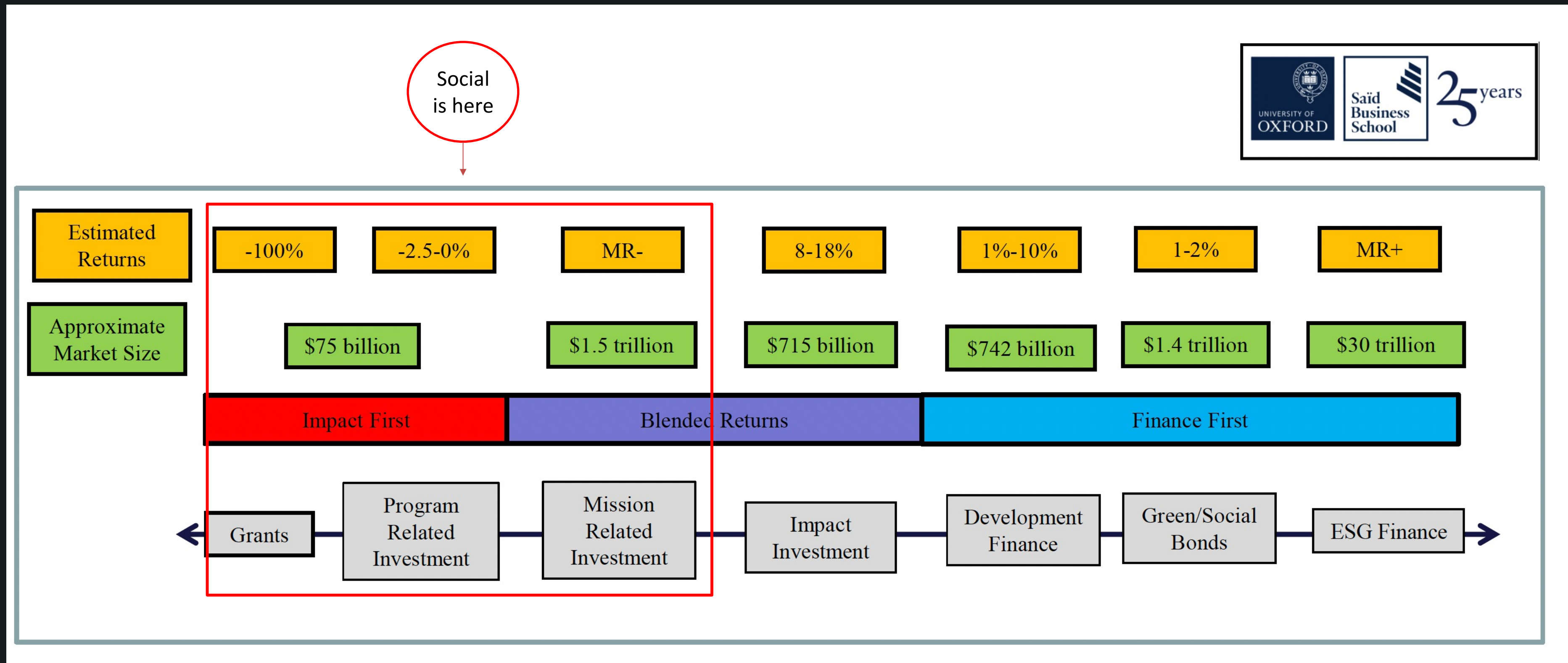


OPPORTUNITY – NET ZERO HARM?





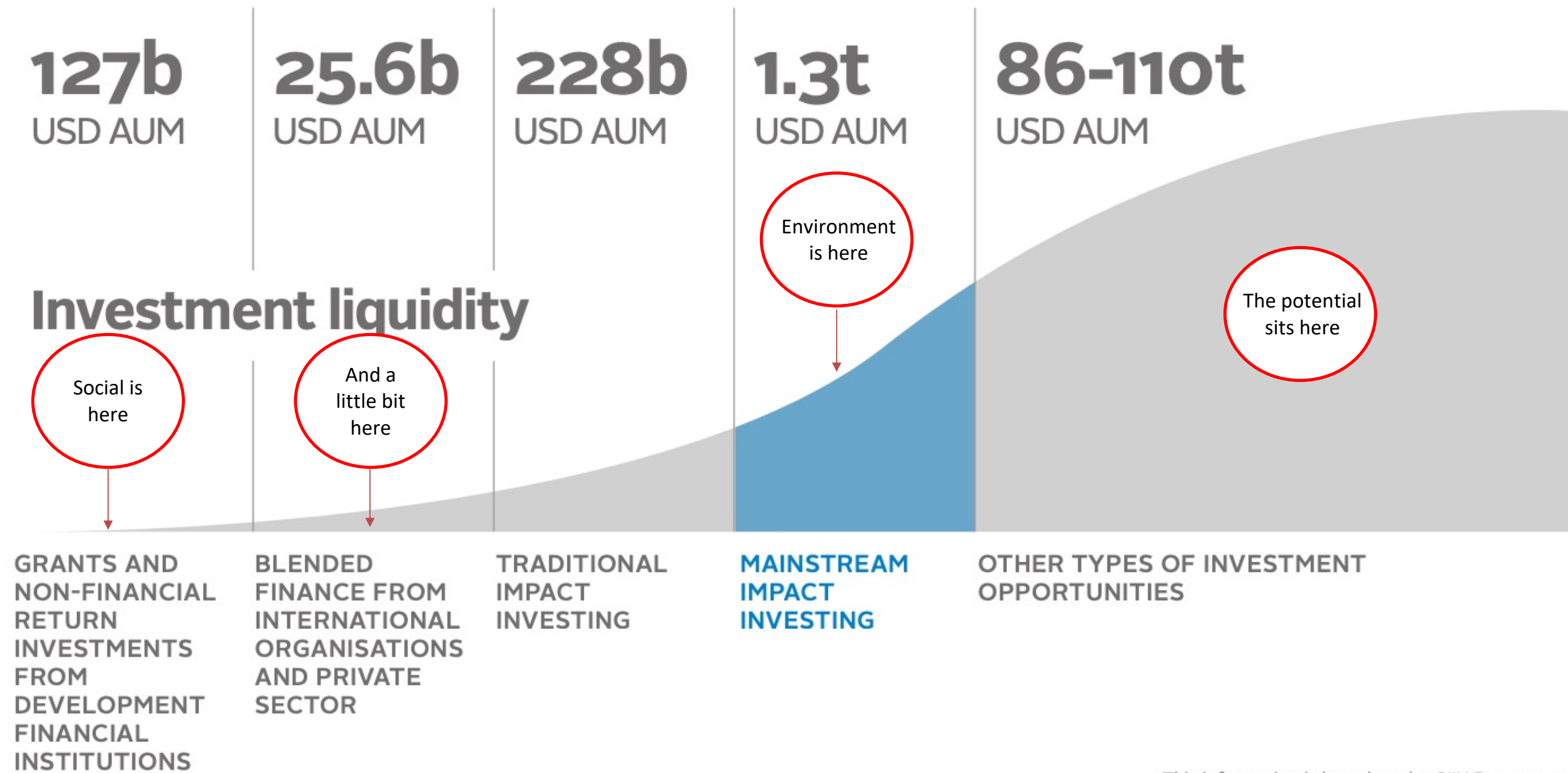
IMPACT FINANCE SPECTRUM





THE OPPORTUNITY

The figure below provides information on the total assets under management of both types of impact investments and how these compare to social investments and mainstream investing.



Source: <https://www.unpri.org/download?ac=5426>



REBRAND THE STORY





REBRAND THE SYSTEM





401 Bay Street, Suite 2702
Toronto, Ontario
M5H 2Y4

Toronto +1 647 930 9075
Toll Free+1 877 276 4822

thesfactor.co

THANK YOU