

## Sustainability Investments: An Opportunity in Times of Crisis

The current financial market crisis is of historic proportions. While no one can anticipate exactly when stock markets will recover, investors can prepare for an eventual market upturn by assessing their investment strategies' ability to meet future challenges. In SAM's view, the integration of economic criteria such as good corporate governance practices and environmental and social factors into traditional financial analysis is the most effective approach to positioning investment portfolios in order to profit from a future economic recovery.

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This approach is based on SAM's experience in managing sustainability investments since 1995, and can be summarized as follows:

The current crisis has demonstrated that a lack of good corporate governance leads to fatal errors in decision-making, destroying large corporations and undermining investor confidence. The integration of corporate governance factors into traditional financial analysis is a disciplined approach that allows investors to effectively manage this type of risk, by avoiding companies that are not sustainable.

**Therefore, sustainability investing represents a significant form of risk management.**

In December of this year, the UN Climate Conference will take place in Copenhagen in order to approve a successor agreement to the Kyoto Protocol.

The prospects for success are good, as a fundamental realignment of US climate policy under the new Obama administration has taken place. **This may open a new chapter in global economics. CO2 efficiency will become a decisive competitive advantage for companies.**

Uncertainty in the financial markets may persist. However, one point remains indisputable: **sustainability trends such as climate change, energy security and scarcity of resources will be defining issues in decades to come.** Sustainability investing means systematically considering such developments in order to profit from opportunities presented by these trends, and managing the associated risks, ultimately leading to a superior long-term risk/return profile.