Investing in our future
disruptive systems change and 1.5°C compatibility in the financial system

EIT Climate-KIC is supported by the EIT, a body of the European Union
Key triggers for financial transformation

#1 Mainstreaming climate into finance

- financial decision metrics or products that incorporate climate
- e.g. Climate Value-at-Risk monetising physical and transition risk to companies
- e.g. Winners - farmers using drought tolerant seeds pay a cheaper price for the insurance and access to credit

How do we move beyond risk, financial disclosures and divestments to investments into transformative systems change?
Key triggers for financial transformation

#2 Time: Investing in our future

- Investments into a 1.5 °C compatible solutions require longer-term investment horizon
- Avoided Emissions Framework under Mission Innovation will help investors identify solutions with nascent markets that promote low energy demand in the future

How can we re-direct investment into 1.5°C degree future?

- Better data
- Future trends
- Future generations
Key triggers for financial transformation

#3 Value: accounting of “externalities”

- climate change (as an externality) needs to be an accounted cost in the economy
- REDDchain - through digital ledger technology (DLT) facilitating investments into avoided deforestation

How can we redefine value in terms other than money?

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