



***Is AI more dangerous
than nukes?
An investor's view***

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Future Education
Belgrade, Nov. 11-12, 2019**

Major existential threats exist

1. Climate change
2. Tech singularity
3. AI-driven nuclear proliferation

SMART implementation of Paris accord & agenda 2030

SUSTAINABLE DEVELOPMENT GOALS



BUT: SDG fulfillment is possible ONLY within Planetary Boundaries



Source: Courtesy of Johan Rockström (2018)

The whole world 1980–2015



Source: Courtesy of Johan Rockström (2018)

How far will we get with *Business as Usual*?



Source: Courtesy of Johan Rockström (2018)

Can we do it with *Faster* growth?



Source: Courtesy of Johan Rockström (2018)

Can we do it by working *Harder* on all fronts?



Source: Courtesy of Johan Rockström (2018)

We can do it SMARTER with 5 transformative actions



Source: Courtesy of Johan Rockström (2018)

Five transformational policies that work

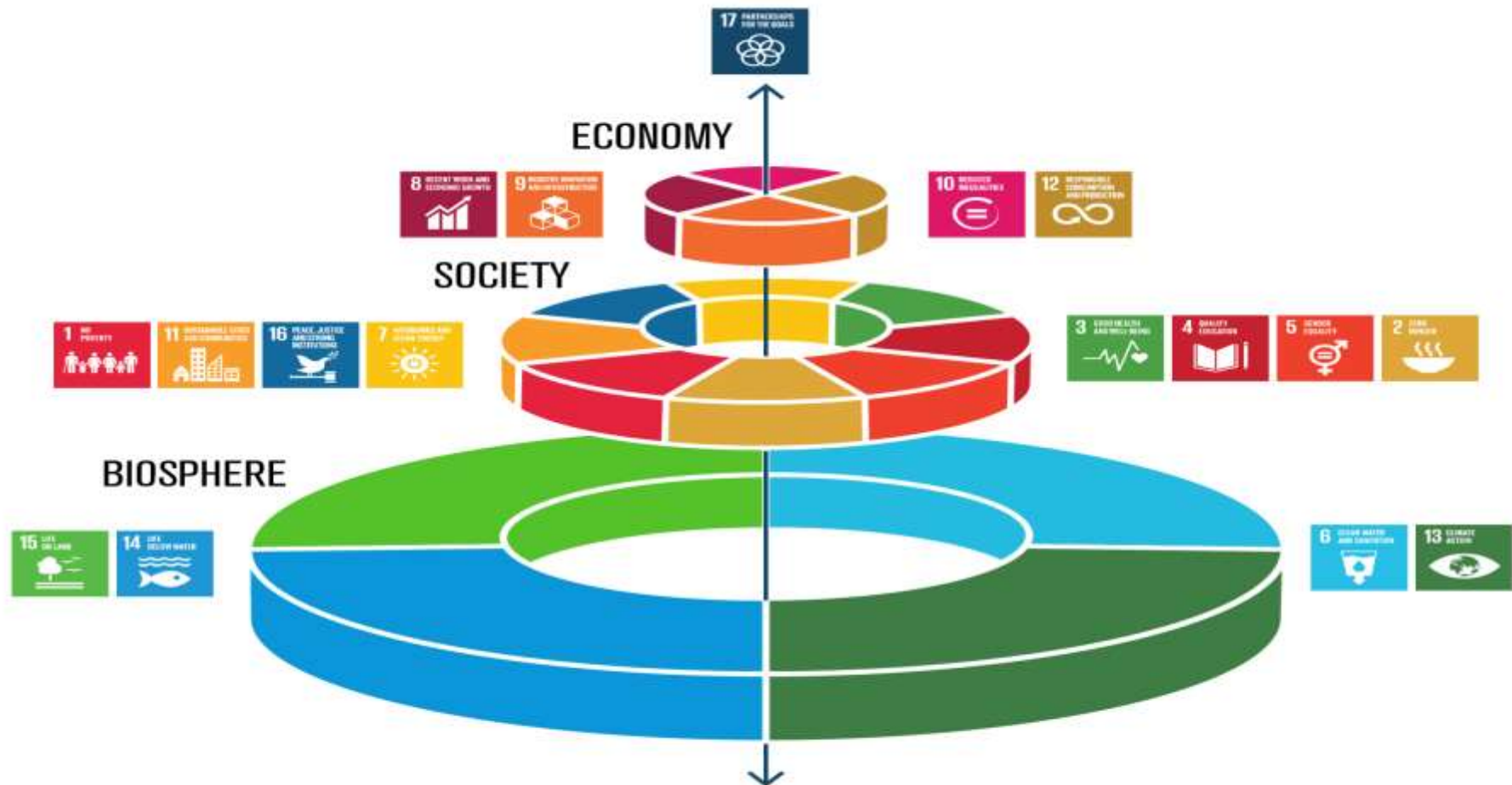
1. Accelerated renewable energy growth:
 - halving emissions every decade from 2030 on
2. Accelerated productivity in food chains:
 - +1% p.a. better productivity
3. New development models in developing countries:
 - copying features of S-Korea, Chinese, Ethiopian successes
4. Active inequality reduction:
 - ensuring 10% richest < 40% of income
5. Investment in education, gender equality, family planning, health stabilizing the world population
 - improving well-being but with reduced ecological footprint

Source: Randers J, Rockström J et al (2018) Transformation is feasible

**“Tomorrow’s speed of change
will make today look like we’re crawling”
Peter Diamandis**

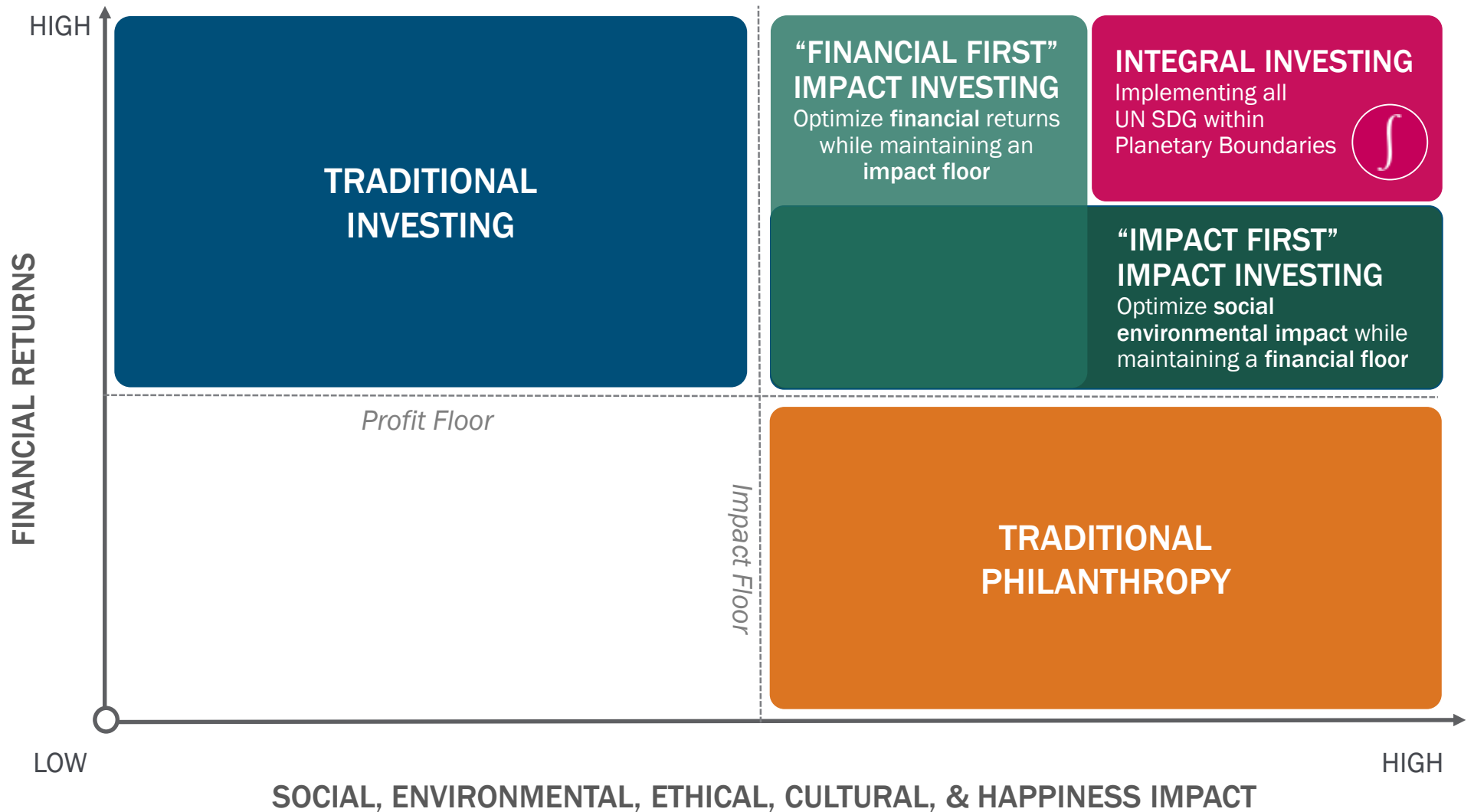


KEY: The Great Mindshift to a world-centric view

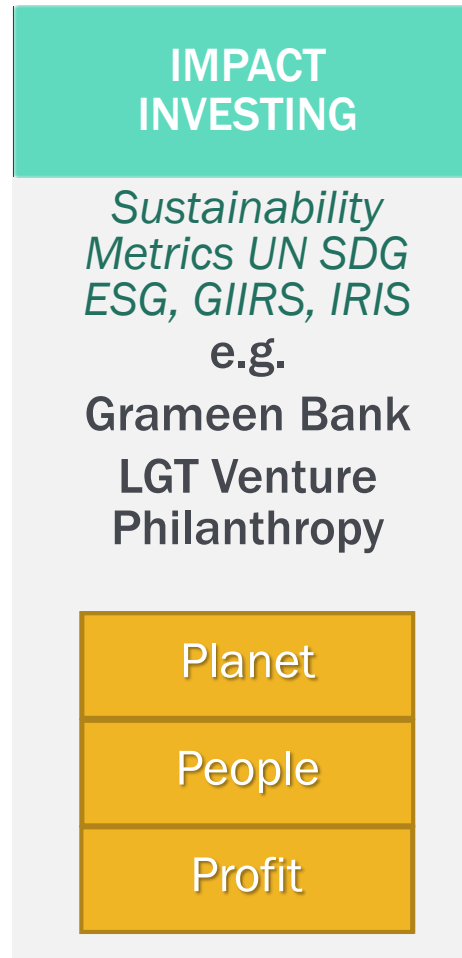


Education must support the great mindshift

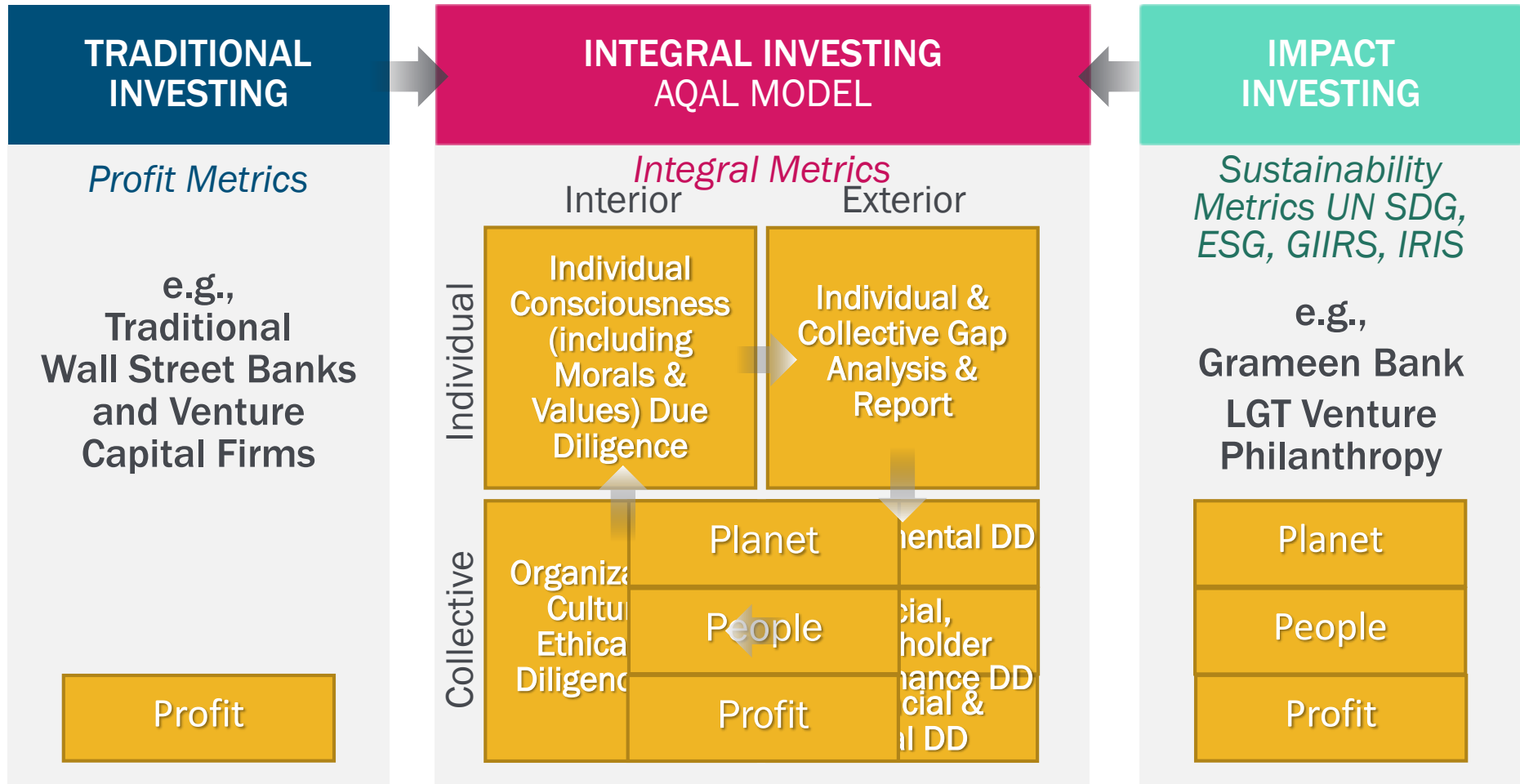
The Investment Turnaround



Integral Investing Includes and Transcends Current Investing Paradigms



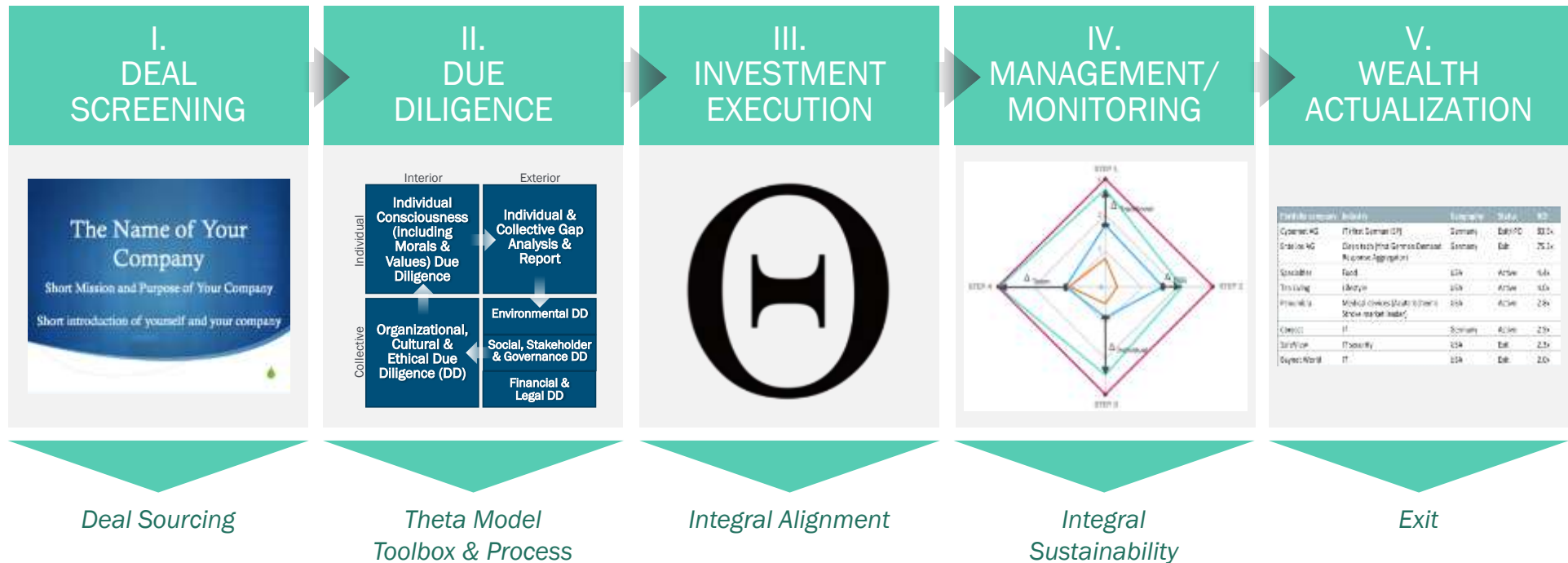
Integral Investing includes and transcends current paradigms in early stage investing



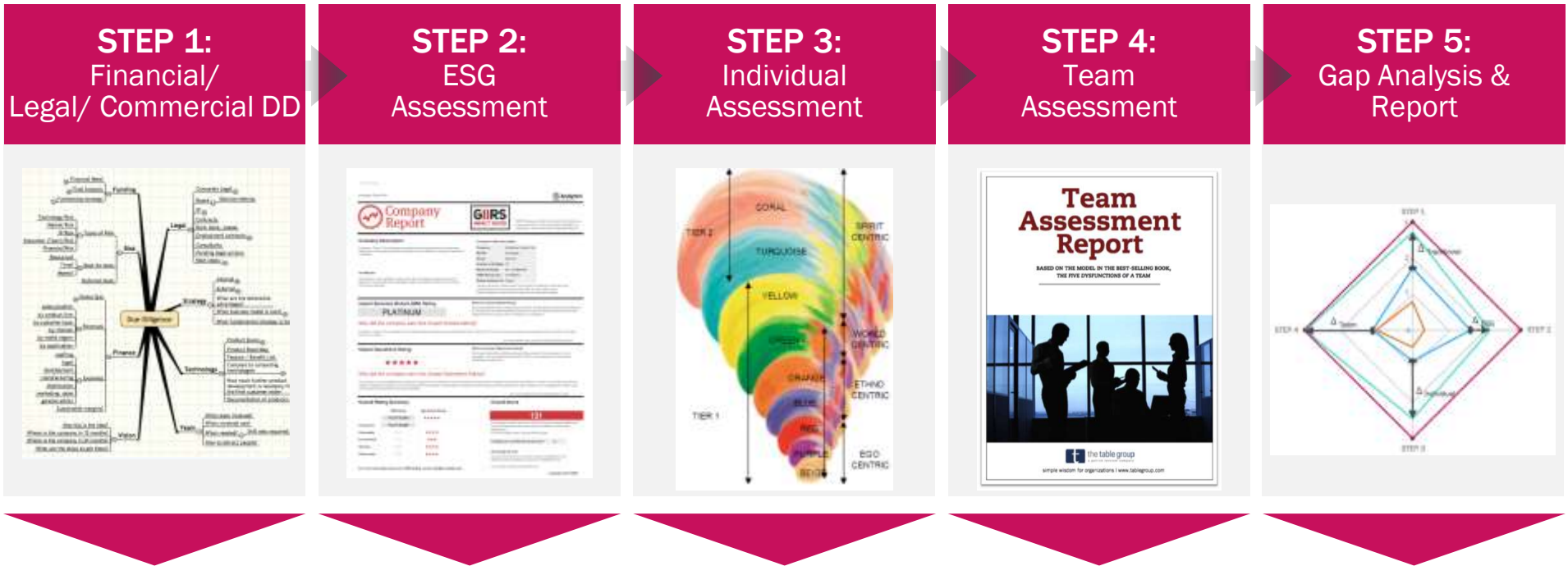
Integral Investing is based on Ken Wilber's Integral theory that is widely applied in 50 disciplines including science, politics, economics, education, medicine, and business; Ken Wilber is endorsed by Nobel Prize laureate Al Gore, former US President Bill Clinton, former Secretary of State Hillary Rodham Clinton, and is also used i.e. at McKinsey and Company. Source: Wilber, K. (2000). *A theory of everything: An integral vision for business, politics, science, and spirituality*. Boston: Shambhala.

Our Secret Sauce: The Theta Model

AQAL investment management process



Integral Due Diligence is performed in 5 steps



Traditional VC

GRIIRS/IRIS/Bcorp

*Vertical & Horizontal
Development*

*Cultural & Org.
Alignment Test*

Theta Model Scoring

Step 1: Financial and Legal Due Diligence

STEP 1: Financial & Legal DD

Traditional VC



Validating the Business Plan

Uncovering missing pieces

Defining the Unknown

Contain and define the financial and legal risk of an investment

Initial screening passed with flying colors and a term sheet was issued

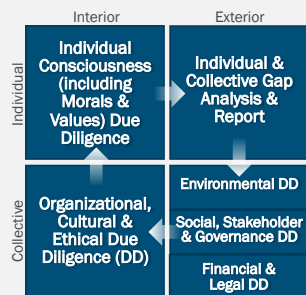
Step 1 Due Diligence includes:

- Financial & Legal
 - Income statements, revenue projections, timeline, margins, cash flow, capitalization structure, EBITDA
 - Strategy incl. capital requirement, structure, validation, exit strategy
 - Review contracts; loan agreements, customer contracts, Outstanding/potential (IP) litigation
- The Market:
 - Macro: Size, growth rate, concentration, barriers to entry
 - Micro: Revenue model, first-to-market, economics, clients, segmentation, USP
- Business Model: value proposition, distribution strategy, competition, growth, site visits, references, board members
- Technical/IP

Step 2 ESG Assessment

STEP 2: ESG Assessment

GIIRS/IRIS/Bcorp



Environmental, Social
Governance (ESG)
Assessment
i.e. B-Corp Assessment

We are committed to UN SDG within Planetary Boundaries



GIIRS

| | Total | Percent | Developed | Mkt Avg |
|-----------------------------------|-------|---------|-----------|---------|
| Overall Rating | 71 | | | |
| Governance | 12 | 48% | 42% | |
| Corporate Accountability | 10 | 72% | 64% | |
| Transparency | 2 | 10% | 57% | |
| Workers | 17 | 45% | 51% | |
| Compensation, Benefits & Training | 12 | 50% | 51% | |
| Worker Ownership | 1 | 12% | 43% | |
| Work Environment | 3 | 48% | 63% | |
| Community | 8 | 18% | 47% | |
| Community Products & Services | N/A | | 48% | |
| Serving Those in Need | N/A | | | |
| Community Practices | 8 | 18% | 34% | |
| Suppliers & Distributors | 1 | 11% | 41% | |
| Local Investment | 3 | 40% | 39% | |
| Diversity | 0 | 7% | 28% | |
| Job Creation | 3 | 36% | 23% | |
| Civic Engagement & Giving | 0 | 5% | 20% | |
| Environment | 34 | 47% | 42% | |
| Environmental Products & Services | 27 | 89% | 30% | |
| Environmental Practices | 6 | 15% | 33% | |
| Land, Office, Plant | 4 | 50% | 45% | |
| Waters | 1 | 8% | 26% | |
| Wastes | 1 | 15% | 30% | |
| Suppliers & Transportation | 0 | 0% | 39% | |

ESG Scoring according
to existing standards

Step 3 Individual Assessment Tool Box

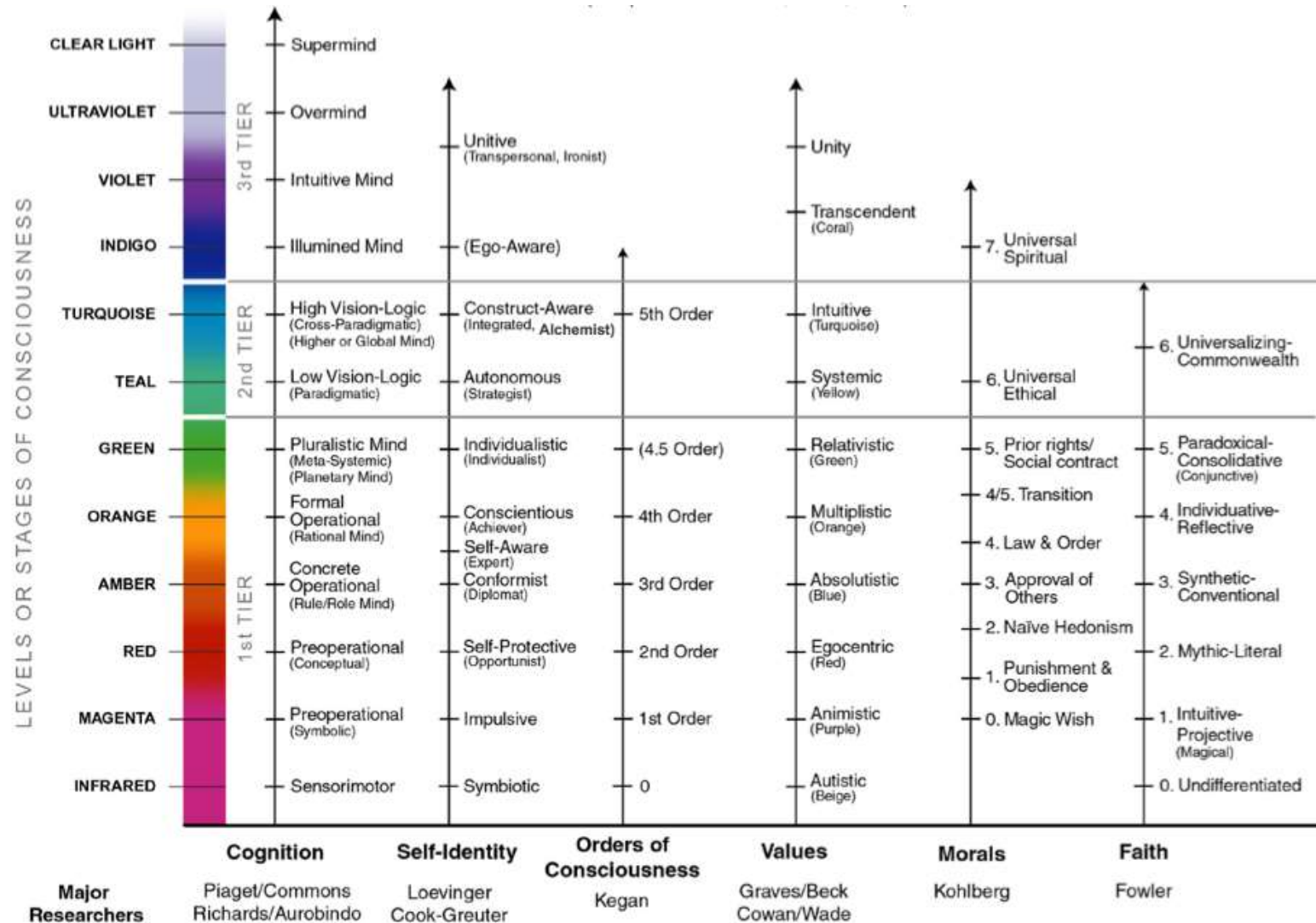
STEP 3: Individual Assessment

*Vertical & Horizontal
Development*

| Developmental Stage | Key Characteristics |
|---------------------|----------------------|
| Level 0 (0-2) | Sensorimotor |
| Level 1 (2-4) | Preoperational |
| Level 2 (4-7) | Concrete Operational |
| Level 3 (7-11) | Formal Operational |
| Level 4 (11-15) | Autonomous |
| Level 5 (15-20) | High Vision-Logic |
| Level 6 (20-30) | High Vision-Logic |
| Level 7 (30-40) | High Vision-Logic |
| Level 8 (40-50) | High Vision-Logic |
| Level 9 (50-60) | High Vision-Logic |
| Level 10 (60-70) | High Vision-Logic |
| Level 11 (70-80) | High Vision-Logic |
| Level 12 (80-90) | High Vision-Logic |
| Level 13 (90-100) | High Vision-Logic |

Individual Assessment of
the Core Team i.e. LDMA
80% of the investment risk

Individual growth stage
and potential assessed within
the team context
and business objective

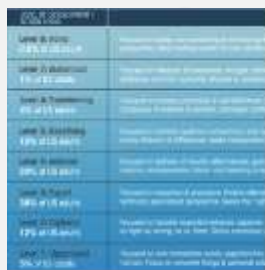


Step 3

Individual Assessment Tool Example Using LDMA

STEP 3: Individual Assessment

*Vertical & Horizontal
Development*



Individual Assessment of
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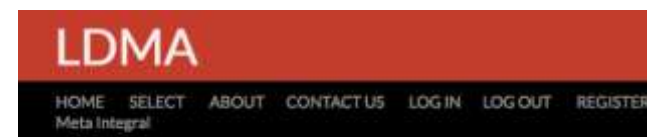
Collaborative capacity: The ability to bring together diverse perspectives to develop inclusive, innovative, and effective solutions

Contextual thinking: The ability to consider problems in terms of the broader systems and contexts in which they are embedded

Cognitive complexity: The ability to think well about complex issues

Using 8 scales:

1. Developmental level (LDMA)
2. Perspective-taking skill
3. Perspective-seeking skill
4. Perspective coordination
5. Collaborative capacity
6. Contextual thinking
7. Cognitive coherence
8. Decision-making process



LDMA REPORT FOR JEAN [REDACTED] TIME 1

Click on a tab to view your results. | [view page by sections](#) | [contact us for help](#) | if the page looks wrong

About the LDMA

[debriefing this tab](#)

The LDMA focuses on three aspects of decision making:

1. collaborative capacity: the ability to bring together diverse perspectives to develop inclusive, innovative, and effective solutions,
2. contextual thinking: the ability to consider problems in terms of the broader systems and contexts in which they are embedded, and
3. cognitive complexity: the ability to think well about complex issues.



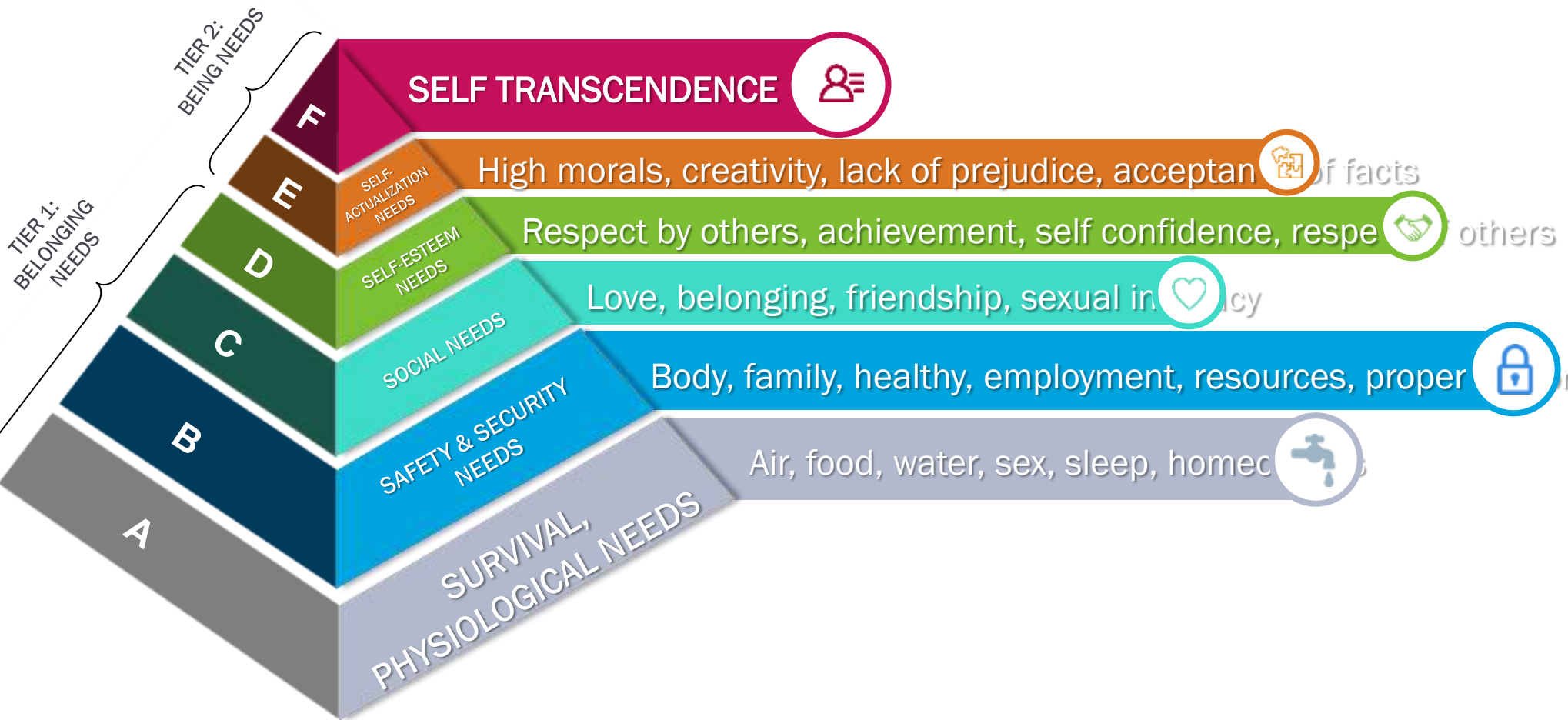
These three broad skills are represented in 8 scales, including (1) developmental level, (2) perspective-taking skill, (3) perspective-seeking skill, (4) perspective coordination, (5) collaborative capacity, (6) contextual thinking, (7) cognitive coherence, and (8) decision-making process. Developmental level (the first scale) is determined with the Lectorial Assessment System (LAS). Scores for the remaining 7 scales are determined with coding "rubrics".

Working with this report

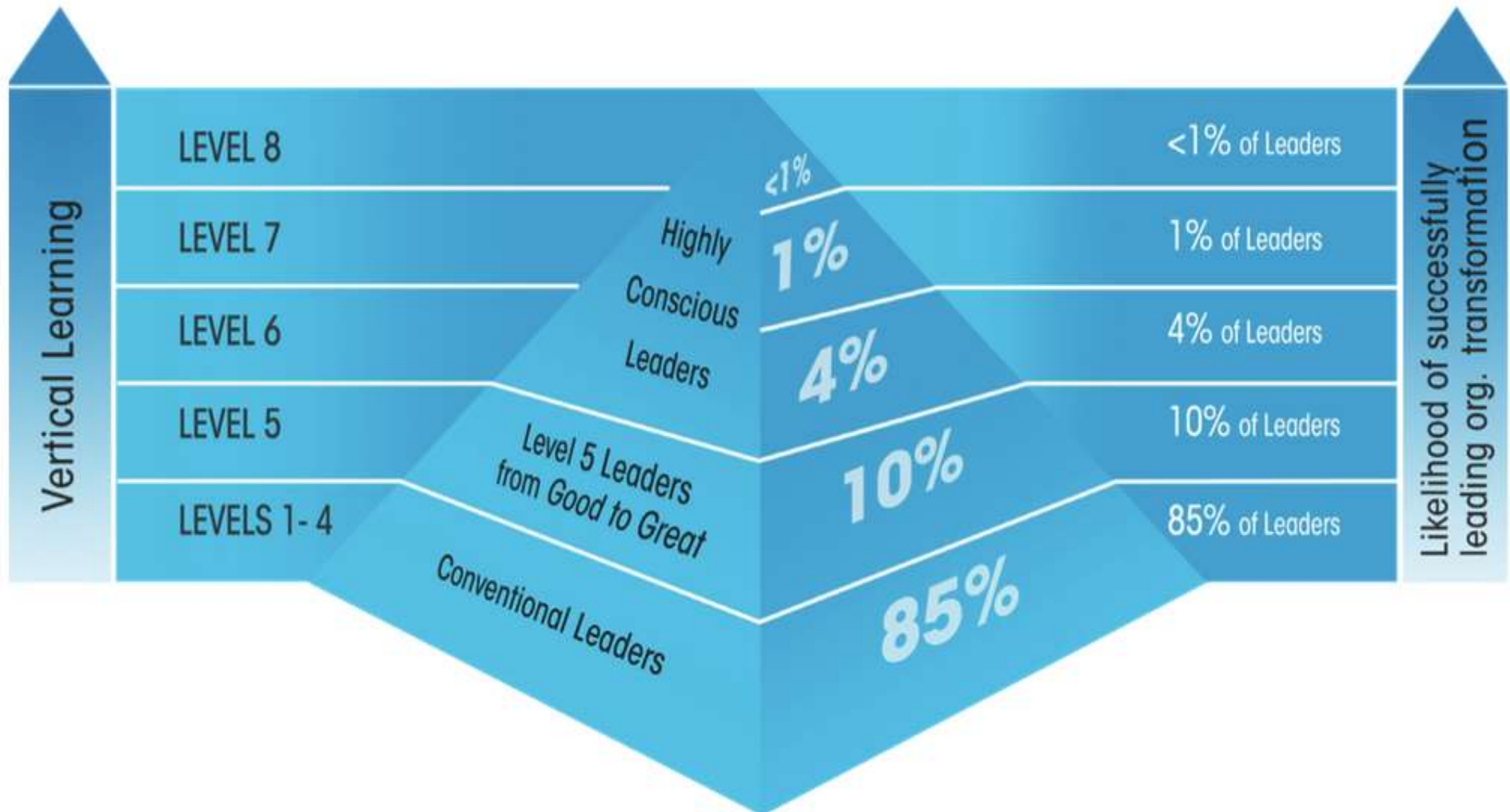
Ideally, you are taking this assessment on the guidance of a mentor who can help you interpret the results. However, even if you are taking this assessment on your own, you will find much that is useful here.

Lectorial reports can seem daunting. There is a lot of information to digest, and some of our learning recommendations are time

Evolution of Human Needs: Maslow's Pyramid



Looking for Highly Conscious Leaders



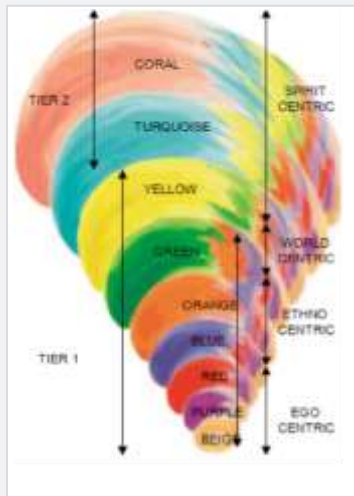
Source: Brown, B. C. (2014). *The Future of Leadership for Conscious Capitalism*. MetalIntegral Associates., p. 3.

Step 4

Team Assessment and Corporate Culture

STEP 4: Team Assessment

*Cultural & Org.
Alignment Test*



80% of the investment risk

Organizational development
potential assessed
Consciousness Leadership
alignment potential
uncovered

80 percent of the risk in early stage investment is associated with the team

Example: The *Five Dysfunctions of a Team* process is based on the book with the same title by Patrick Lencioni

Dysfunction #1:

Absence of Trust

Dysfunction #2:

Fear of Conflict

Dysfunction #3:

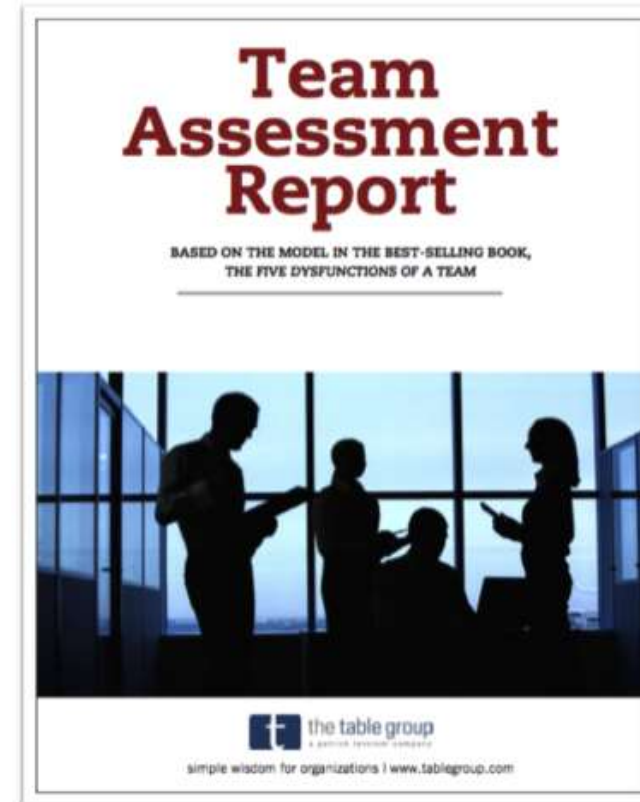
Lack of Commitment

Dysfunction #4:

Avoidance of Accountability

Dysfunction #5:

Inattention to Results

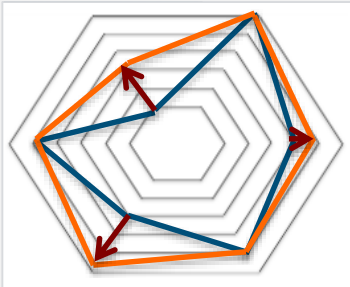


Step 5

Gap Analysis, Report, and Recommendations

STEP 5: Gap Analysis & Report

Theta Model Scoring



Assess the overall Top Rating Potential for business idea, integral company & team

The Theta Model Score is decisive for Go/No go of investment

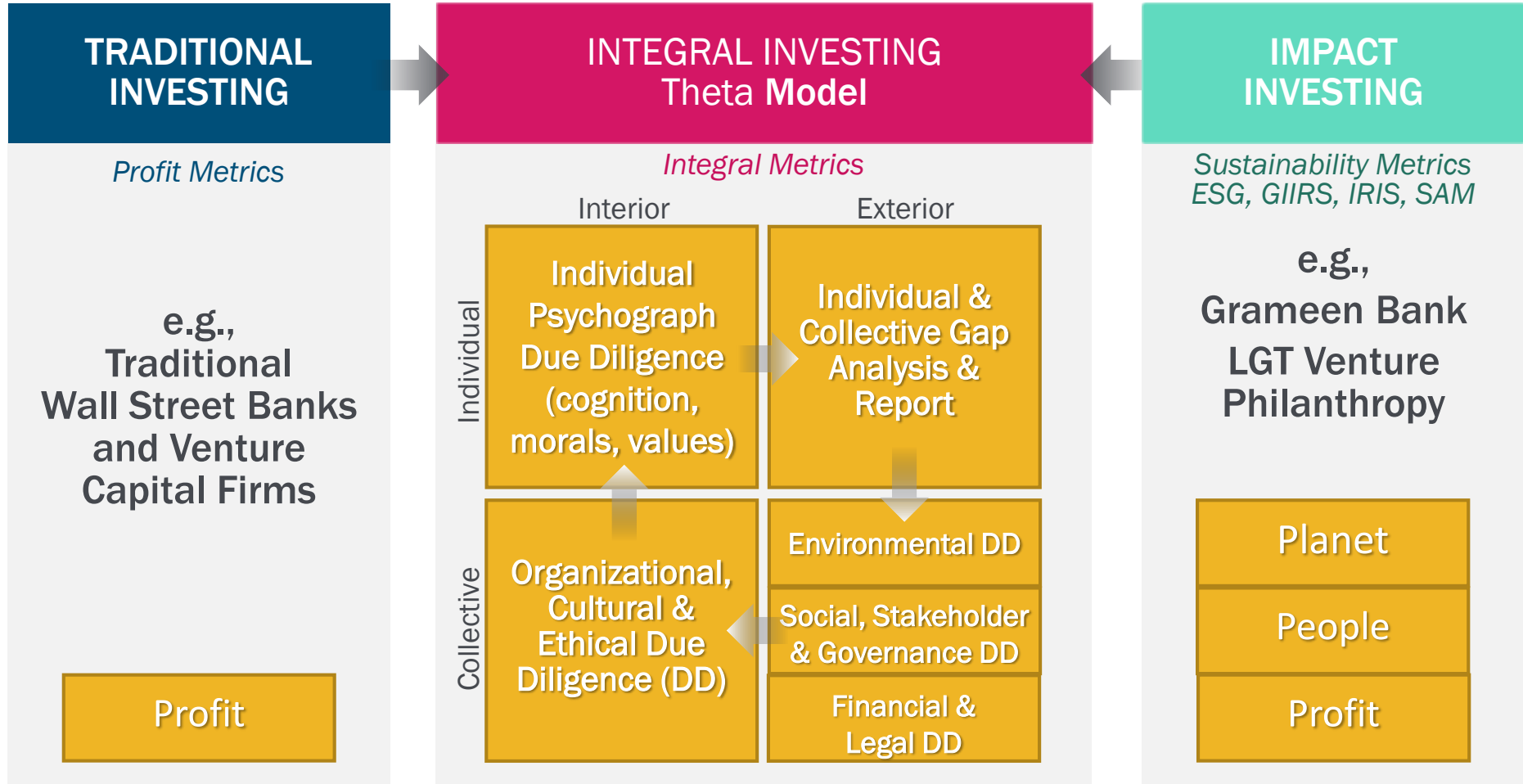
The Parity of People, Planet, Profit with Passion and Purpose is applied

- Goal score: 4-6
- 80 percent must be fulfilled
- The risks are identified
- Go or No go



Our Solution: “The 6 Ps”

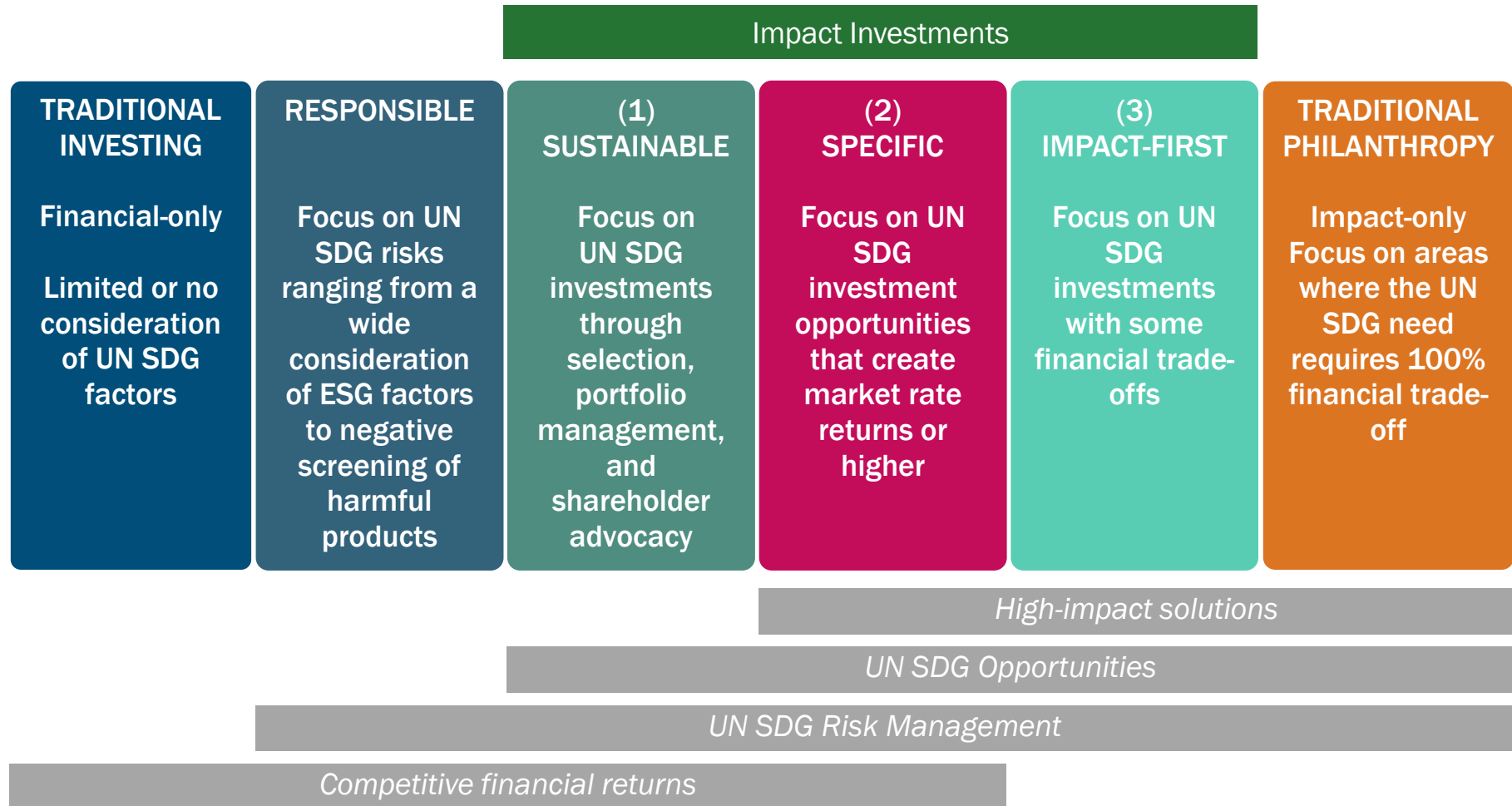
PARITY OF PEOPLE, PLANET, & PROFIT WITH PASSION & PURPOSE



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Source: Wilber, K. (2000). *A theory of everything: An integral vision for business, politics, science, and spirituality*. Boston: Shambhala.

Integral Investing: Long-term Integral Sustainability

Parity of people, planet, and profit – with passion and purpose



Source: Brandstetter, L., & Lehner, O. M. (2015). Opening the Market for Impact Investments: The Need for Adapted Portfolio Tools. Entrepreneurship Research Journal, 5(2), 87-107. P. 5. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2519671.