

# LONG TERM RESPONSIBLE INVESTING

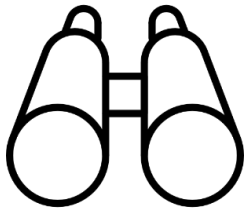
## SESSION VI - MACRO ECONOMIC INFORMATION AND FIRM LEVEL FORECASTING

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# LONG TERM RESPONSIBLE INVESTING

- A good pension in a sustainable world
- Forward looking, our fiduciary duty
- Scale and ownership to achieve concrete results
- Investing in sustainable growth by financing long-term needs
- LTRI provides return opportunities and addresses long term risks

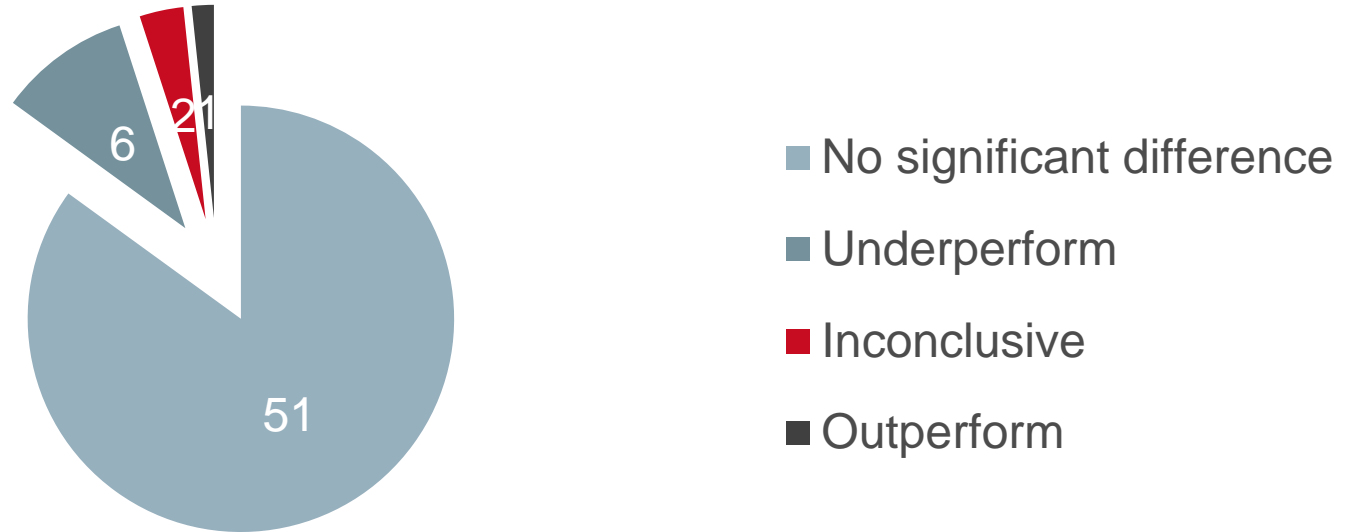


# TRENDS IN LTRI INVESTING

- ESG integration in risk-return analysis is not sufficient anymore
- From equity to all financial instruments
- Inclusion next to exclusion
- Impact as a goal next to return generation
- Development of frameworks to support LTRI investing

# ACADEMIC CONSENSUS ESG AND RETURNS: NO SIGNIFICANT DIFFERENCE

Number of academic ESG papers classified by conclusion



# ABP'S ROADMAP

## Targeted investment selection

- The bar will be raised for inclusion in the ABP portfolio
- Targeted selection of investments and more stringent requirements
- Engagement will get an even more important role

Reduction in CO<sub>2</sub> footprint of equity portfolio by 25% in 2020



- 25%

Investments that contribute to a better and cleaner future: from €29 billion to €58 billion in 2020



+ €29 bn

Including investments in renewable energy: from €1 billion to €5 billion in 2020



+ €4 bn

# INFORMATION AS AN ASSET

- What gets measured gets done
- More information and better data transparency required on RI topics
- Growing wave of AI-infused Expert Automation & Augmentation

# APPLICATION OF NEW TECHNOLOGY: SDI INFORMATION

1000s of relevant documents per company

Trade descriptions



Annual reports



...



Web pages



2 Zero Hunger



3 Good Health



4 Quality Education



6 Clean Water & Sanitation



7 Affordable and Clean energy



A woman with blonde hair tied back, wearing a white tank top and dark shorts, is running away from the camera on a dirt path. The path is surrounded by lush green vegetation and tall grasses. The sky is bright blue with scattered white clouds. The sun is low in the sky, creating a lens flare effect on the woman's legs.

Good pensions that  
can be enjoyed on a  
healthy planet

- LTRI addresses long term risks and impacts firm level investments
- Europe's largest pension funds are taking serious steps
  - Application of new technology, culture change and company disclosure are key enablers



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