

# Building upon trust through long-term investing

Presentation to 2016 FEAL Conference

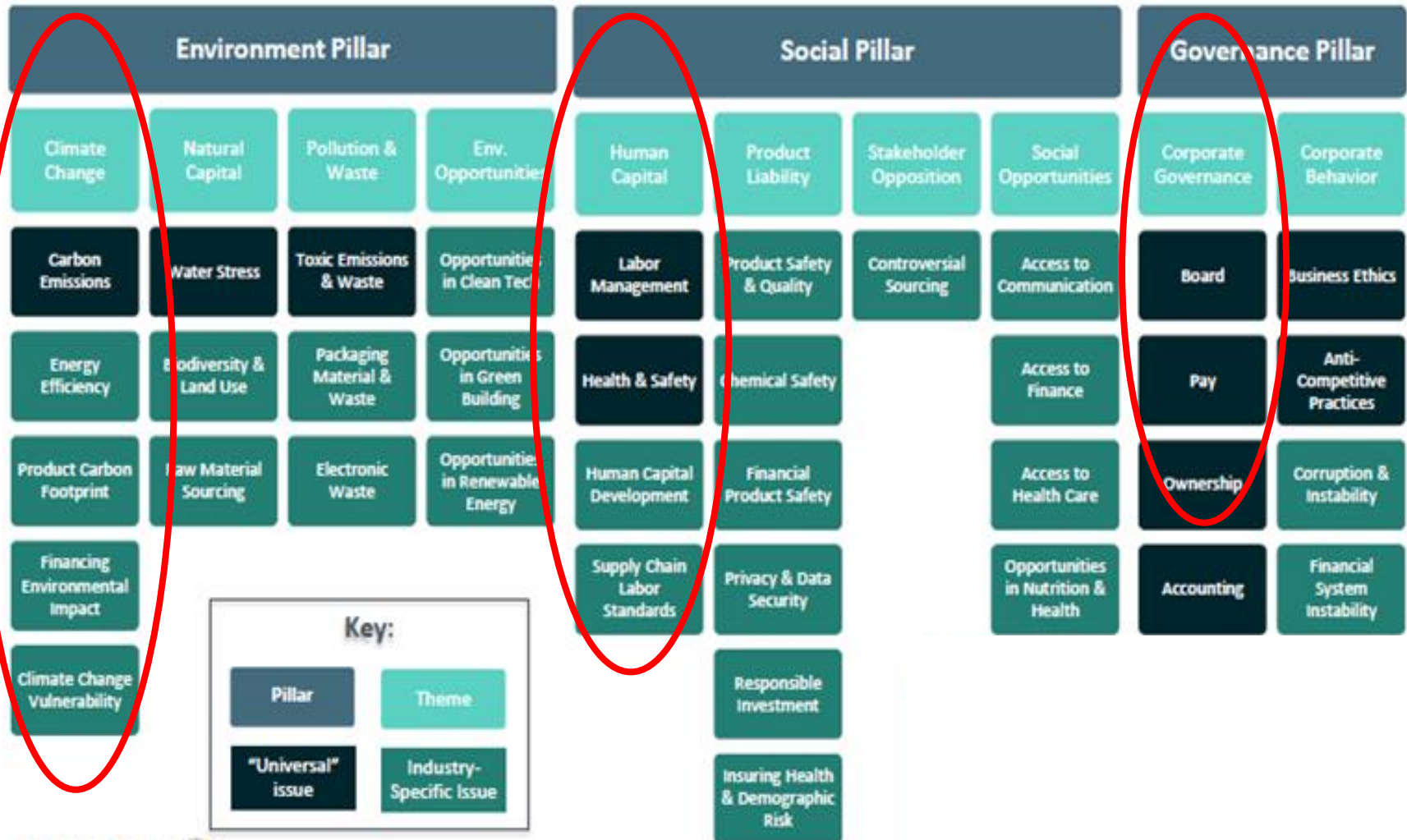
Ross Barry

# Universal Ownership

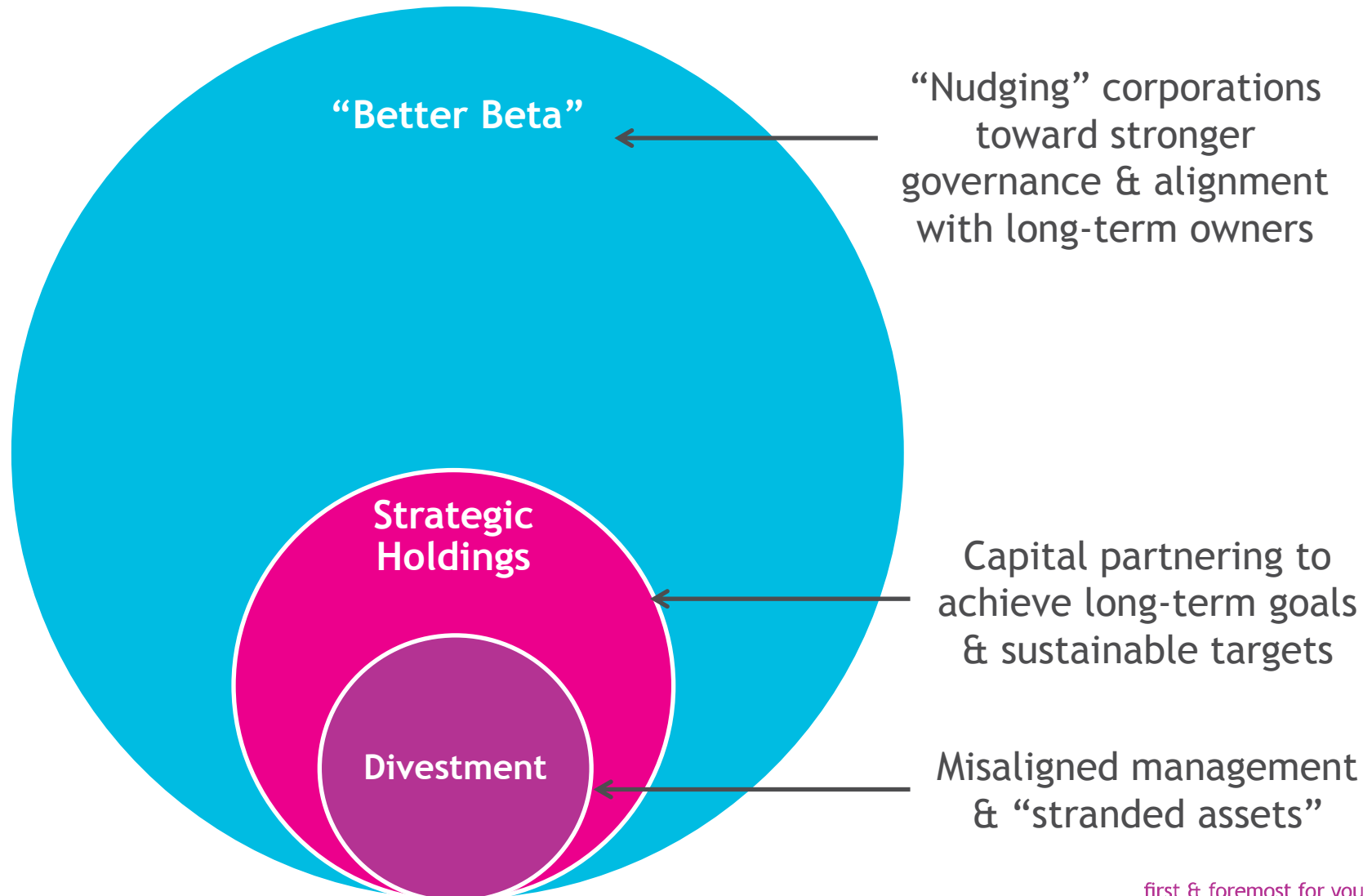
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- ➔ Superannuation fund assets now represent over 100% of Australia's GDP
  - ➔ we are now integral part of the market architecture;
  - ➔ our investment decisions have real consequences for prices, for the environment, for corporations and the communities in which they operate
  
- ➔ It is our *members* who are now the (universal) owners of capital
  - ➔ we are their fiduciaries (agents);
  - ➔ Universal Ownership is where we take responsibility, on their behalf, for managing the risks and opportunities this presents
  
- ➔ The key is not to compromise due diligence but to *lengthen investment horizons*
  - ➔ double/triple bottom lines converge to a single focus on retirement income
  - ➔ our fiduciary duty for diligent risk management requires us to assess key secular risks and externalities, e.g. climate change.

# Pillars, Projects & Priorities



# Focus on Engagement



# Climate Change Adaptation Plan

## ➔ Pure-play SRI Option

- ➔ principles-driven member cohort
- ➔ fossil fuel divestment

## ➔ Carbon footprinting

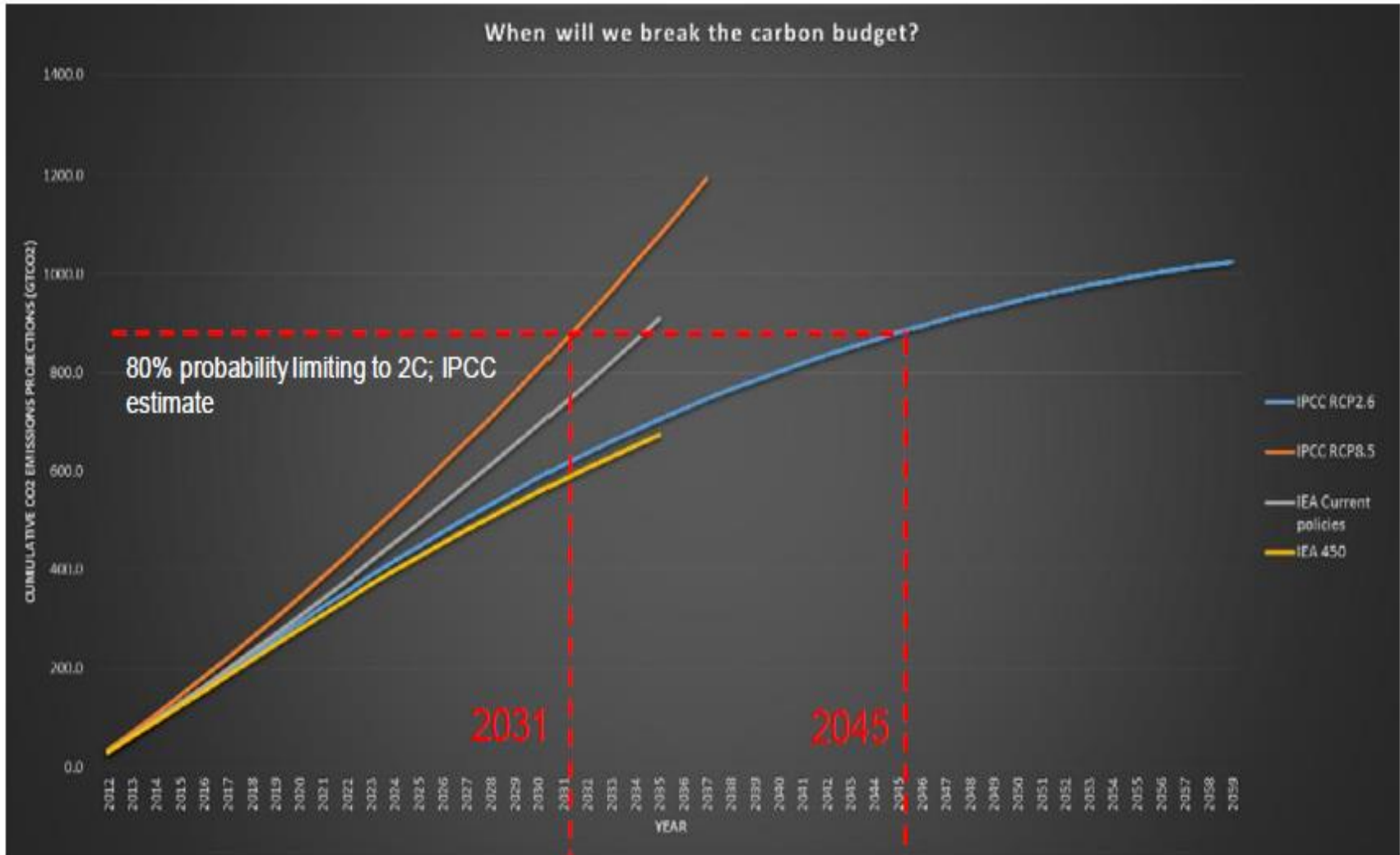
- ➔ Attributable emissions of 4.2 MtCO<sub>2</sub>e
- ➔ *industry-wide targets* for emission reduction baselines ... 40% by 2030 !?!



## ➔ Climate Change Adaptation Plan

- ➔ Portfolio “weather-proofing”
- ➔ Engagement
- ➔ Transition to renewable energy

# Appendix. Global Carbon Budget



Source: Carbon Tracker

first & foremost for you