An investor’s approach to climate scenarios
IRENA - 3rd International Forum on Long-term Scenarios for the Clean Energy Transition

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Nordea Life & Pension at a glance

• The asset owner arm of the Nordea Group
• Provides pension and insurance products and services in the Nordic countries
• EUR 62 billion in assets under management
• Broad investment universe
• Co-founder of the UN Net-Zero Asset Owner Alliance
• Committed to transition investment portfolios to net-zero 2050 (with 5-year interim targets)
Climate scenarios are becoming even more important for investment decision making and capital allocation

- Climate risk is financial risk – both climate action and the absence of it will expose investors to climate risk
- Different objectives require different considerations in the use and application of climate scenarios
- Applying scenarios to investment portfolios is a complex task – granularity, assumptions, time horizon and the number of scenarios are important considerations
- Further collaboration needed between the academic community, investors, regulators and data providers to improve the way scenarios can be used