



GLOBAL DIALOGUE 2016

ONTARIO TEACHERS' APPROACH

AIST Global Dialogue, Boston

28 April 2016

Deborah Ng

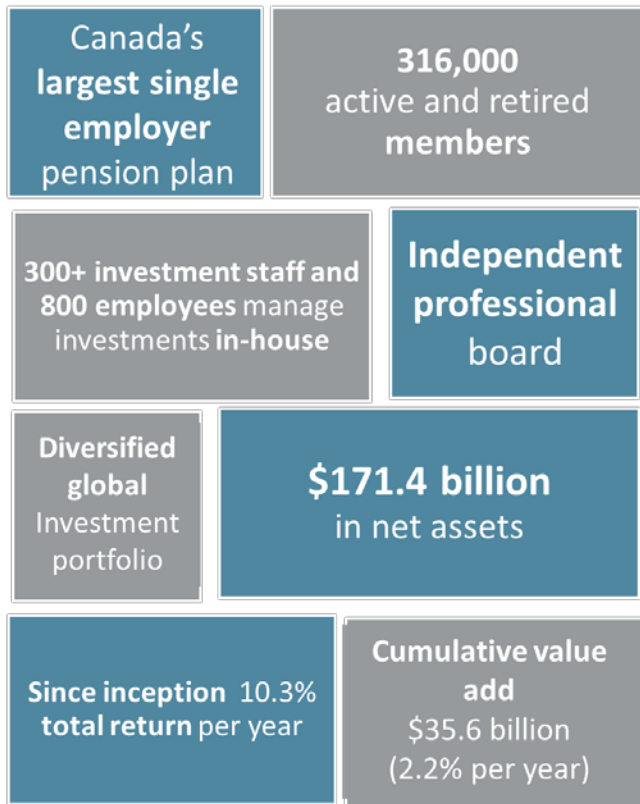
Director Strategy & Risk, Head of Responsible Investing

Ontario Teachers' Pension Plan



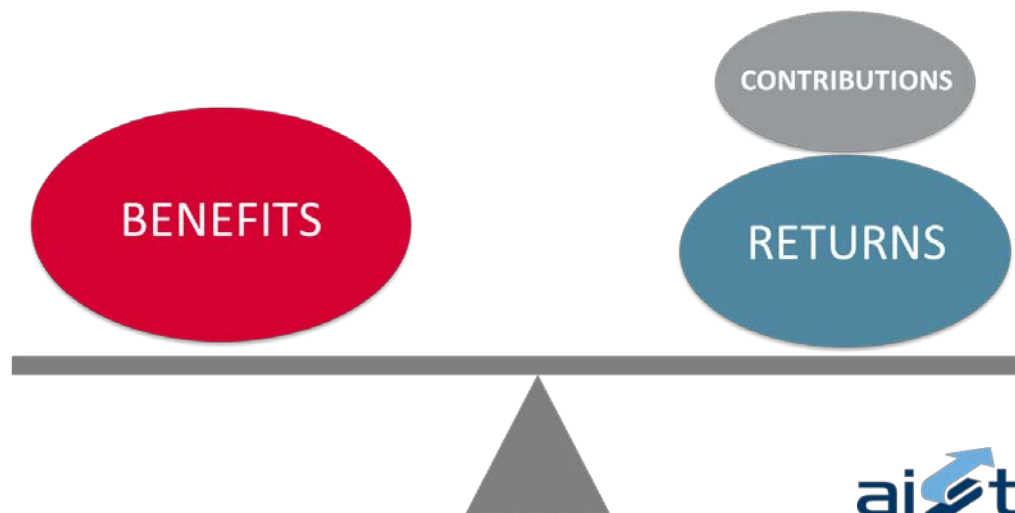


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MATURE AND MATURING PLAN:

- Teachers are working less and living longer
- 1.4 active teachers for every retiree
- Benefits paid exceed contribution received





CLIMATE CHANGE RISK MANAGEMENT

- 1 FIDUCIARY DUTY TO MEMBERS
- 2 FOCUS ON MANAGING INVESTMENT RISKS
- 3 ENGAGEMENT WITH COMPANIES AND POLICYMAKERS
- 4 SEARCH FOR INVESTMENT OPPORTUNITIES



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one trillion a year in investments needed

hold increase in global average temperatures to well below 2C

more pressure on companies and investors



Increased pace of energy transition

195 countries

“The [investment] decisions we make over the next five years is critical”
Christian Figueres

emissions neutrality

legally-binding, international framework for climate change action





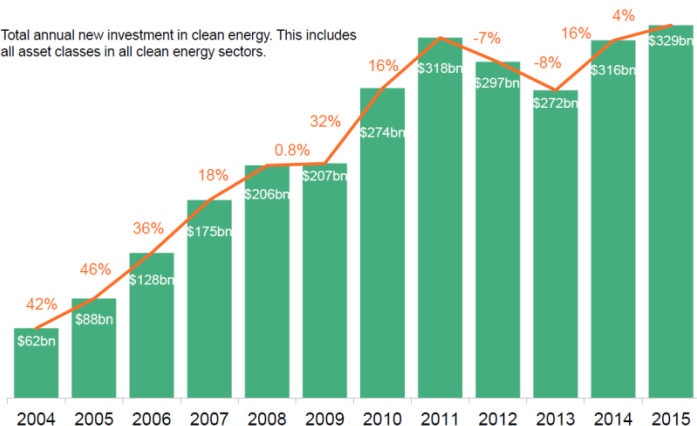
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IMPLICATIONS FOR ONTARIO TEACHERS'

NEW INVESTMENT IN CLEAN ENERGY 2004-15 (\$BN)

Bloomberg
NEW ENERGY FINANCE

- Total annual new investment in clean energy. This includes all asset classes in all clean energy sectors.



Note: Total values include estimates for undisclosed deals. Includes corporate and government R&D, and spending for digital energy and energy storage projects (not reported in quarterly statistics).

Source: Bloomberg New Energy Finance

- 1 More and tightening regulations on carbon emissions
- 2 More attractive climate-resilient investment opportunities
- 3 Quicker pace of transition
- 4 More pressure on companies and investors for climate-related disclosures



ENGAGEMENT WITH COMPANIES



1

Learn from companies with strong practices

2

Identify companies with weak disclosure

3

Exchange information with companies



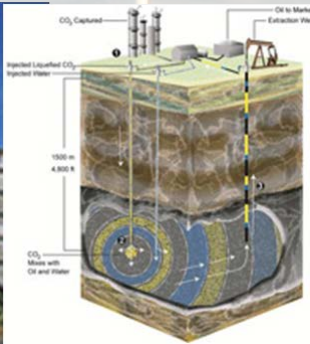
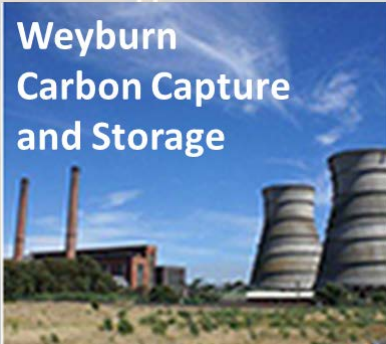
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OPPORTUNITIES

Cubico
SUSTAINABLE INVESTMENTS



Weyburn
Carbon Capture
and Storage



GE9X

The world's next great engine.



BluEarth
RENEWABLES INC.

SYDNEY
DESALINATION
PLANT

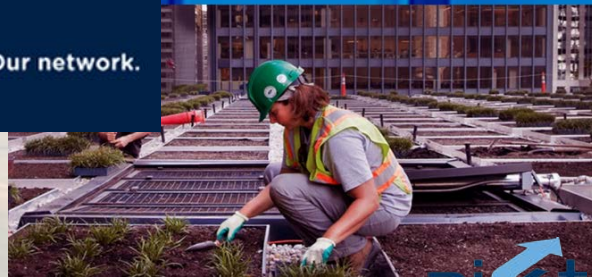


**Cadillac
Fairview**



SGN

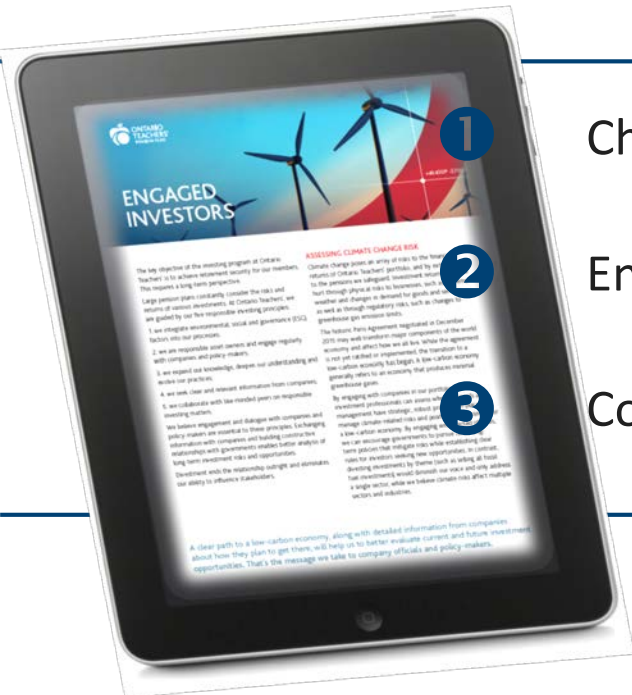
Your gas. Our network.





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LOOKING AHEAD



1

Change creates investment opportunities

2

Enhance our communications to members

3

Continue engagement strategy