



Nordea

## An investor's approach to climate scenarios

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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

