



Morgunverðarfundur um ábyrgar fjárfestingar

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FJÁRMÁLAEFTIRLITID

THE FINANCIAL SUPERVISORY AUTHORITY, ICELAND

Eleni Choidas, ShareAction

Sustainable finance: Overview, Markets & Regulation

Ólafur Sigurðsson, framkvæmdarstóri Birtu

Að sýna ábyrgð

Unnur Gunnarsdóttir, forstjóri Fjármálaeftirlitsins

Ábyrgar fjárfestingar: Hlutverk Fjármálaeftirlitsins



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THE FINANCIAL SUPERVISORY AUTHORITY, ICELAND

Sustainable Finance: Overview, Markets & Regulation

ELENI CHOIDAS

EUROPEAN POLICY MANAGER - SHAREACTION

ShareAction: Who we are & what we do

- London and Brussels-based civil society organization
- **Our mission:** to promote responsible investment, emphasizing the role of ordinary savers and other end-investors to

1. Shareholder Activism

2. **Asset Owners Disclosure Project:** We assess the sustainability performance of the largest institutional investors.

3. **Workforce Disclosure Initiative:** We organize investors to demand higher quality corporate reporting, supported by 137 investors with over 15 trillion AUM.

4. We **train savers** to engage more effectively with their pension funds and raise issues linked to sustainability

5. Lobbying and regulation

Presentation Goals:

1. To provide an **overview** of “sustainable finance”, as a field of practice;
2. A snapshot from the market: leading practice and challenges in insurance and pensions.
3. A snapshot from Brussels: policymakers reacting to the market.
4. Future trends in sustainable finance – markets and regulation.

I. Sustainable Finance: Brief Overview and Theoretical Evolution

What is “ESG”?

- No single, or exhaustive list exists.
- Materiality is determined by industry, country, sector, investment strategy, etc.
- Examples of what ESG issues could be:

Environmental criteria may include a company’s energy use, waste, pollution, natural resource conservation, and treatment of animals. The criteria can also be used in evaluating any environmental risks a company might face and how the company is managing those risks.

Social criteria look at the company’s business relationships. Does it work with suppliers that hold the same values as it claims to hold? Does the company donate a percentage of its profits to the local community or encourage employees to perform volunteer work there? Do the company’s working conditions show a high regard for its employees’ health and safety? Are other stakeholders’ interests taken into account?

For **governance criteria** investors may want to know that a company uses accurate and transparent accounting methods, and that stockholders are given an opportunity to vote on important issues. They may also want assurances that companies avoid conflicts of interest in their choice of board members, don't use political contributions to obtain unduly favorable treatment and, of course, don't engage in illegal practices.

*Source: Investopedia.

Sustainable Finance: What is it all about?

Complex, multifaceted question. Broadly, sustainable finance could be understood along two tangents: risk and impact.

1) **Risk (“reduce harm”)**: Sustainable finance provides an opportunity to ensure risk-adjusted returns through the incorporation of material ESG issues in investment and underwriting, thus meeting the fiduciary duty to clients and beneficiaries; **(+ opportunities!)**

2) **Impact (“do good”)**: Sustainable finance provides an opportunity to deploy the resources of the financial sector to protect the long-term survival of the planet and its resources, the protection of ecosystems, and to ensure the social wellbeing of society by investing in companies that are aligned with the SDGs and the Paris Agreement.

Should sustainability always be subservient to the need for making financial returns, or should it have a broader, societal purpose?

Sustainable Finance: A snapshot

- Over **\$30.7 trillion dollars** are invested in products that are, at least, marketed as sustainable. These include green/social/transition bonds (>\$160 billion), specialized funds (including ETFs), securitization, private equity investments, project finance opportunities, etc.

Most popular strategies worldwide:

1. **Negative screening/exclusionary screening** (\$19.8 trillion) : “sin stocks” - Europe
2. **ESG Integration** (\$17.5 trillion): systematic analysis of ESG factors and inclusion in investment decision-making - US
3. **Corporate engagement and shareholder voting** (\$ 9.8 trillion): using shareholder rights and engagement to influence corporate behavior.

*Source: Global Sustainable Investment Alliance

Fastest Growing Trends:

1. Impact/community investing:

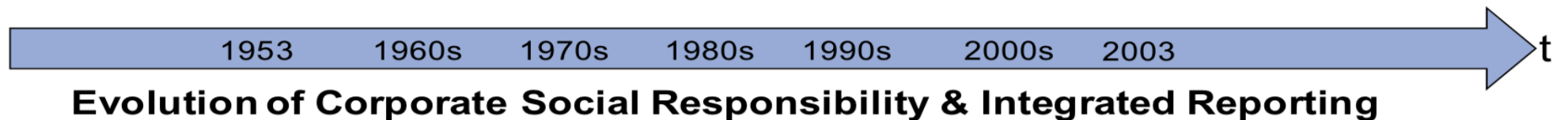
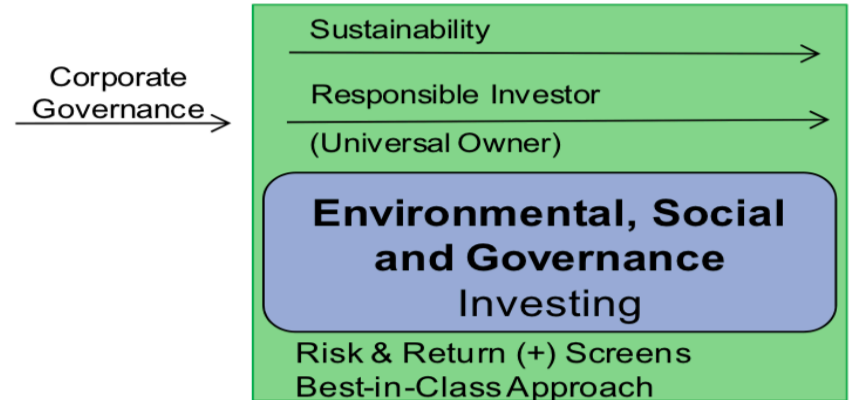
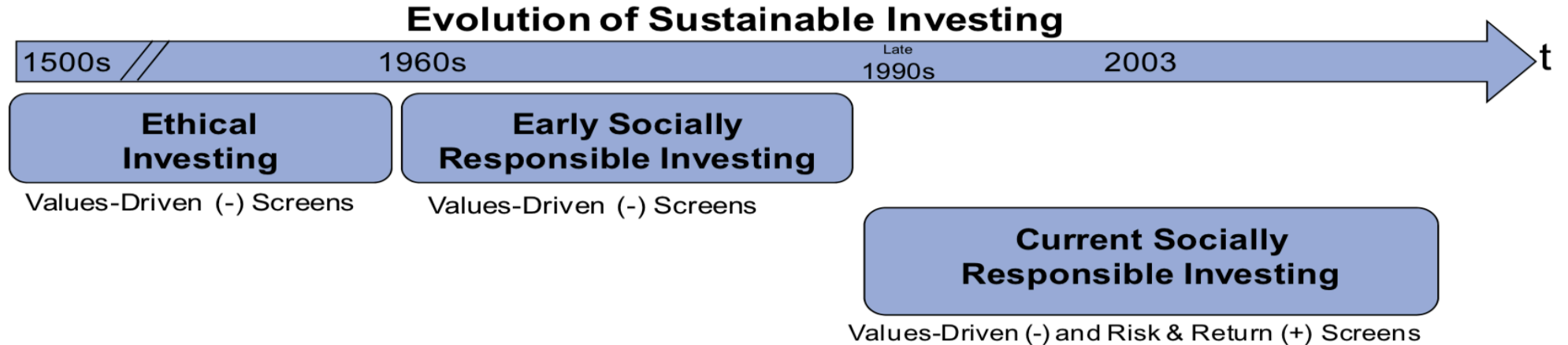
“Investments made with the intention of generating specific positive environmental and social benefits”

2. Incorporation of ESG factors in passive investment:

- Japan's GPIF recently switched 3% of its Japanese equity portfolio into ESG indices;
- Swiss Re has switched investments to the amount of \$130 billion.

Sustainable Finance: Evolution

Timeline of the Evolution of Sustainable Investing



The UN PRI (risk-based) - 2006

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

The UNEP FI Principles for Responsible Insurance (risk-based) - 2012

Principle 1: We will embed in our decision-making, environmental, social and governance issues relevant to our insurance business.

Principle 2: We will work together with clients and business partners to raise awareness of environmental, social, governance issues, manage risk and develop solutions.

Principle 3: We will work together with governments, regulators, and other key stakeholders to promote widespread action across society on environmental, social, governance issues.

Principle 4: We will demonstrate transparency and accountability in regularly and publicly disclosing our progress in implementing the Principles.

The Principles for Responsible Banking (risk and impact-based) - 2019



PRINCIPLE 1: **ALIGNMENT**

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.



PRINCIPLE 2: **IMPACT & TARGET SETTING**

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.



PRINCIPLE 3: **CLIENTS & CUSTOMERS**

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.



PRINCIPLE 4: **STAKEHOLDERS**

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.



PRINCIPLE 5: **GOVERNANCE & CULTURE**

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.



PRINCIPLE 6: **TRANSPARENCY & ACCOUNTABILITY**

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

Broad trends:

- From an **ethical to a risk-based approach,**
- From a purely risk-based approach to one also **incorporating the consideration of impact of investment activities on people and the environment.**

Table 2: Framework for Sustainable Finance

Sustainable finance typology	Value created	Ranking of factors	Optimisation	Horizon
Finance-as-usual	Shareholder value	F	Max F	Short term
Sustainable Finance 1.0	Refined shareholder value	$F > S$ and E	Max F subject to S and E	Short term
Sustainable Finance 2.0	Stakeholder value	$T = F + S$ + E	Optimise T	Medium term
Sustainable Finance 3.0	Common good value	S and E > F	Optimise S and E subject to F	Long term

Source: Bruegel. Note: F = financial value; S = social impact; E = environmental impact; T = total value. At Sustainable Finance 1.0, the maximisation of F is subject to minor S and E constraints.

II. A Snapshot of the Market

Asset Owners Disclosure Project: Key Findings

INSURING A LOW-CARBON FUTURE

A practical guide for insurers on managing climate-related risks and opportunities

Based on interviews with 14 proactive insurers, this report explores how climate awareness is being integrated into underwriting, investment, and group-wide risk management practices. In addition to exploring common barriers, this report also presents a practical framework of eight building blocks relevant for insurers introducing and developing climate strategies. | September 2019

ShareAction»

ASSET OWNERS'
DISCLOSURE PROJECT

GOT IT COVERED? INSURANCE IN A CHANGING CLIMATE

This report assesses the insurance sector response to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and features an index of the world's 80 largest insurers rated on their approach to climate-related risks and opportunities. | May 2018

ShareAction»

ASSET OWNERS'
DISCLOSURE PROJECT

WINNING CLIMATE STRATEGIES

PRACTICAL SOLUTIONS AND BUILDING BLOCKS FOR ASSET OWNERS FROM BEGINNER TO BEST PRACTICE



Based on interviews with 22 leading asset owners, this report explores the current best practices landscape, identifies barriers, and presents a framework of ten building blocks for other asset owners introducing and developing climate strategies.

ShareAction»

ASSET OWNERS'
DISCLOSURE PROJECT

Methodology: Assessing the World's 80 Largest Insurers

*based on the TCFD Recommendations

	SECTION	DESCRIPTION	% WEIGHTING
	Governance	Disclose the organisation's governance around climate-related risks and opportunities	16%
	Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's strategy	32%
	Risk Management	Disclose how the organisation assesses and manages climate-related risks	28%
	Metrics & Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities	23%

Engagement

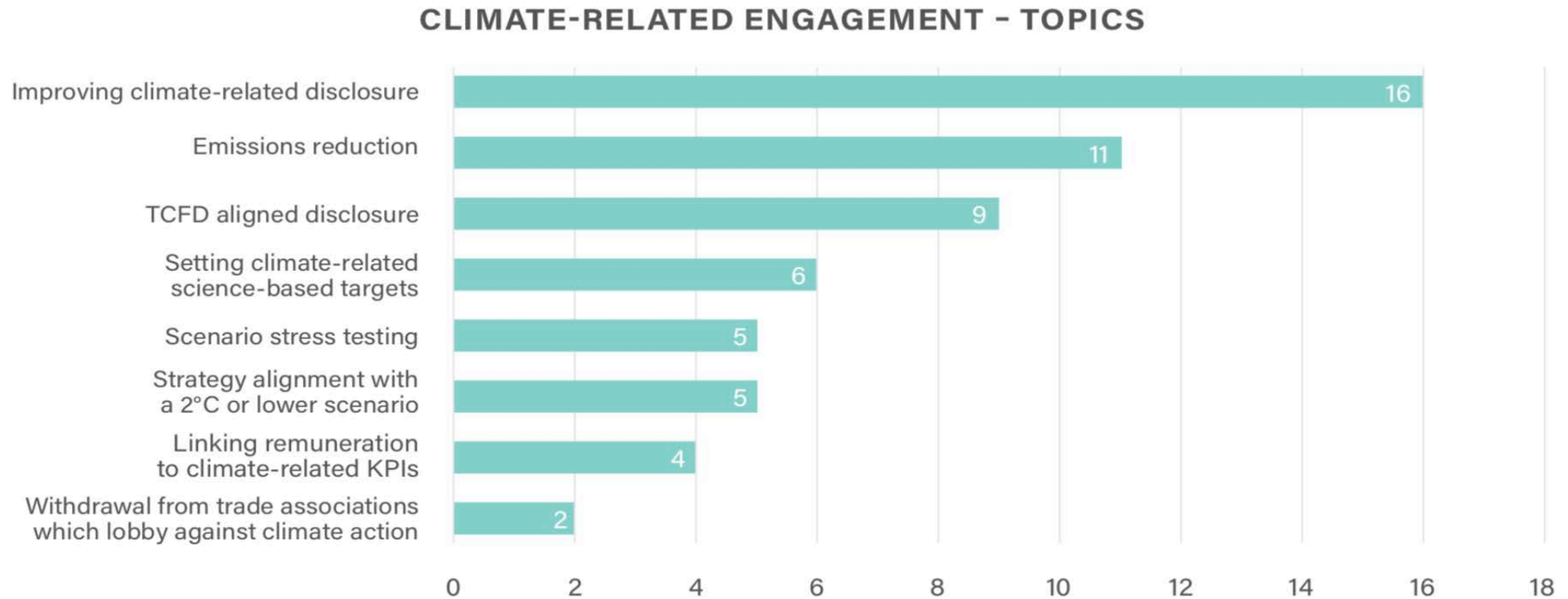
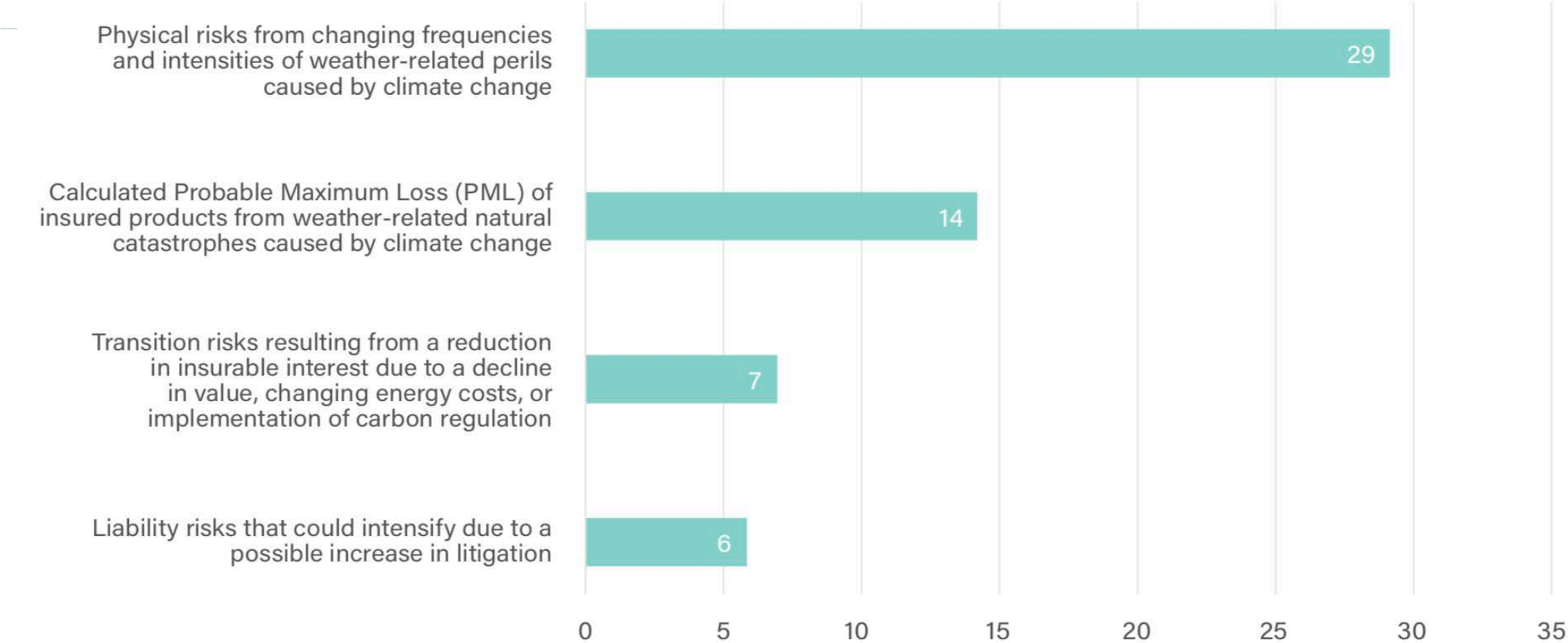


Figure 15: Climate-related engagement – topics

Underwriting

INSURANCE UNDERWRITING RISKS IDENTIFIED



PROACTIVE INSURERS ARE TAKING STEPS TOWARD

1. Developing climate-supportive products and services
2. Raising climate risk awareness among customers and communities
3. Taking a holistic approach to climate risk management
4. Exploring climate risks facing life and health
5. Integrating climate science into risk models
6. Building climate into investment strategies
7. Driving collaboration on key climate issues
8. Using TCFD to their advantage

COMMON BARRIERS FACING INSURERS

1. Issues around climate-related data
2. Weak demand for climate-supportive insurance products and services
3. Capital requirements yet to directly reflect climate risk
4. Shortage of investable clean infrastructure opportunities
5. Inconsistent climate progress within and between regions
6. Lack of pressure from insurers' investors on climate issues
7. Misaligned time horizons

III. EU Agenda on Sustainable Finance

EU Agenda on Sustainable Finance

A Brief History

- Origins: The Capital Markets Union (2015)

The Commission's plan on how to stimulate jobs and growth in the European Union through channelling **retail savings** to the real economy, particularly to SMEs, promoting competitiveness and a resilient financial system – *we have now legislated enough after the crisis, how do we “grow”?*

- The Midterm Review of the Capital Markets Union (2017)

Recognition that the financial system is a key player in ensuring we meet Agenda 2030 and the Paris Agreement:

A deep re-engineering of the financial system is necessary for investments to become more sustainable and for the system to promote truly sustainable development from an economic, social and environmental perspective – *“kill more birds with one stone through finance”*

A Brief History

- The Midterm Review of the Capital Markets Union (2017)

The Commission committed to setting up and following up on the work of a High Level Expert Group on Sustainable Finance – emphasis of embedding sustainability in supervisory processes, in investment mandates across the investment chain, and how to ensure sustainability is reflected in reviews of financial regulation.

-The High-Level Expert Group (HLEG) on Sustainable Finance (2016-2018)

- steer the flow of public and private capital towards sustainable investments

- identify the steps that financial institutions and supervisors should take to protect the stability of the financial system from risks related to the environment

- deploy these policies on a pan-European scale

A Brief History

High- Level Expert Group Recommendations:

1. Establish and maintain a common sustainability taxonomy at the EU level
2. Clarify investor duties to better embrace long-term horizon and sustainability preferences
3. Upgrade disclosure rules to make sustainability risks fully transparent, starting with climate change
4. Key elements of a retail strategy on sustainable finance: investment advice, ecolabel and SRI minimum standards
5. Develop and implement official European sustainability standards and labels, starting with green bonds
6. Establish 'Sustainable Infrastructure Europe'
7. Governance and Leadership
8. Include sustainability in the supervisory mandate of the ESAs and extend the horizon of risk monitoring

How is it all connected?

The HLEG's Recommendations formed the basis for the **Action Plan on Financing Sustainable Growth (10 Action Points)**, which formed the basis for the **three legislative proposals** on Sustainable Finance, released by the European Commission.

The **Technical Expert Group on Sustainable Finance** is currently working on the technical standards for the taxonomy, technical standards for green bonds, EU Climate Benchmarks and Benchmark ESG Disclosures.

Action	Legislative Response
1. Establishing a classification system for sustainable activities	Process completed at the level of the European Parliament – Finnish Presidency of the Council currently negotiating General Approach.
2. Creating standards and labels for green products	Eco-label process is underway through a specialised expert group, not currently legislative, green bond standards being developed by TEG, not currently legislative.
3. Fostering investment in sustainable projects	No stand-alone legislative initiative.
4. Incorporating sustainability when providing financial advice	Process ongoing through secondary legislation for MiFID II and the IDD. The Commission missed the deadline to submit their draft delegated acts to the Parliament for scrutiny in the current mandate. ESMA/EIOPA have submitted technical advice for amendments to other delegated acts.
5. Developing sustainability benchmarks	Completed.
6. Better integrating sustainability in ratings and market research	ESMA consultation conducted, Commission collecting evidence through workshops, questionnaires, etc. Commission recently released a call for tender for a study.
7. Institutional investors and managers' sustainability duties	Disclosure Regulation completed, clarifying duties ongoing through secondary legislation.
8. Prudential requirements for banks and insurance companies	Banking Package (CDD/CRV) : EBA to prepare two reports on supervision and prudential treatment, disclosure requirements

10. Corporate governance and short-termism

ESMA, EIOPA and the EBA preparing reports on short-termism, DG JUST leading work on due diligence and clarification of directors' duties.

1. Establishing a classification system for sustainable activities

- Process 1: Legislative proposal ongoing
- Process 2: Development of technical screening criteria by TEG ongoing

2. Incorporating sustainability when providing financial advice

- Amending of MiFID II and IDD delegated acts

3. Institutional investors' and asset managers' sustainability duties

- Transparency towards end-investors (DSR)
- Explicit requirement for asset owners and asset managers to incorporate sustainability requirements (Solvency II, UCITS, AIFMD)

The Disclosure Regulation: Overview

Context and background:

-Broadly, the legislative response to Action 7 of the Action Plan, which partly calls for the need to:

(a) increase transparency towards end-investors on the integration of sustainability factors in investment decisions;

Key provisions:

- A range of entity and product level disclosures, mostly under comply or explain.

The Disclosure Regulation: Key Provisions

Disclosure requirements related to sustainability risks and sustainability impacts.

Scope: insurance companies in the provision of insurance-based investment products, investment firms providing portfolio management, IORPs, pension product manufacturers, alternative investment fund managers, providers of personal pension products, venture capital fund providers, social entrepreneurship funds, mutual funds and banks as investors.

I. Sustainability Impacts:

(1) When principle adverse impacts on sustainability factors are considered, **a statement of due diligence policies** related to managing these impacts.

(2) **A clear and reasoned explanation** of why impacts are not considered and whether there is an intention to consider impacts.

When financial market participants choose to comply (1), the following information must be provided:

a. info on policies related to the **identification and prioritisation of sustainability impacts**.

b. a description of **principal adverse sustainability impacts and actions taken to mitigate them**.

c. brief summaries of **engagement policies**.

d. reference to any **responsible business conduct codes, or those linked to reporting, or to alignment with the Paris Agreement (OECD Guidelines, etc.)**.

The Disclosure Regulation: Key Provisions

In the case of financial market participants **exceeding 500 employees**, and only **18 months** after the date of entry into force, (1) will be required – **comply or explain is removed**. Commission will review headcount, and may replace with AuM.

ESAs will need to develop the **indicators and standards** necessary to ensure compliance with this regulation, including standards for due diligence.

II. Sustainability risks:

- Pre-contractual disclosures:

(1) The manner in which sustainability risks **are integrated in investment decisions**

(2) The results of the assessment of **the impacts of sustainability risks on financial products**

(3) If sustainability risks are not relevant, **a clear and reasoned explanation why**

The Disclosure Regulation: Key Provisions

III. Product-level disclosures (36 months after entry into force):

(1) A clear explanation as to whether and how a product influences sustainability factors

IV. Product-level disclosures for “sustainable” products:

(1) Information on how the objectives of the products are met.

(2) How any designated indices are consistent with the objectives of the product.

Link between integration of sustainability risks and remuneration policies also to be disclosed.

Applies to pre-contractual, annual and online disclosures.

- To be applied as of January/February 2021 and supplemented by the RTS developed by the ESAs.
- Good overview in the press [here](#).

The Disclosure Regulation: what is missing?

Action 7 of the Action Plan on Financing Sustainable Growth:

(a) increase transparency towards end-investors on the integration of sustainability factors in investment decisions;

(b) explicitly require investors to integrate sustainability considerations in the investment decision-making process.

Disclosure **is not enough** in order to solve principal-agent problems across the investment chain – meaning, the problem of making decisions in the best interests of others concerning their assets. Disclosure **does not solve** the lack of coherence around investors' duties at across EU financial regulation. Regulation has to work as a way to promote a **level-playing field** by promoting the **consideration of sustainability risks** in **mainstream risk management**.

4. Investors' duties

1. An **early and final recommendation** of the High Level Expert Group on Sustainable Finance.
2. First **consultation released** pre-Action Plan (December 2017).
3. The European Commission **did not release an omnibus proposal** (HLEG recommendation), but decided to adopt secondary legislation, extending a mandate to the ESAs to submit technical advice.
4. The European Commission described its approach **only in the Impact Assessment** to accompany the legislative proposals: **integration of ESG risks in risk management, asset allocation, corporate governance, etc.**

Investors' duties

5. ESMA and EIOPA **released draft technical advice** and consultations on Solvency II, IDD, MiFID, AIFMD, UCITs in December 2018.
7. ESMA and EIOPA released final technical advice on May 5^h, 2019.
6. The Commission is currently assessing how to best align the outcomes of the Disclosure Regulation (particularly, the definitions), with the technical advice – in order to proceed to amending delegated acts in the next mandate.
8. The Commission released draft delegated acts on IDD and MiFID in January 2019. The next step is for them to submit to the Parliament for scrutiny, which has veto power.

Investors' Duties: EIOPA Advice on Solvency II

- A balancing act between granularity and a high-level approach, as issues of **proportionality, flexibility, lack of agreed upon definitions, over-prescription, redundancy** were present in feedback.

- EIOPA strikes a balance between keeping with high-level approach of Solvency II and ensuring **strategic mentions of sustainability-related requirements**, due to the novelty of the risks, as well as the unconventional horizons in which those may materialise.

Notably, EIOPA recommends that – in the context of Solvency II:

- The **risk management function** be explicitly responsible for identifying and assessing sustainability risks

- **Remuneration policies** include information on how it is consistent with the integration of sustainability risks.

- As part of the **prudent person rule**, insurance and reinsurance undertakings will consider sustainability risks when assessing the security, quality, liquidity and profitability of the portfolio as a whole.

- Insurance and re-insurance undertakings will take into account **the potential long-term impact** of their strategy on sustainability factors and where relevant, ensure to reflect the ESG preferences of their target markets.

- Actuaries need to consider the effect of sustainability risks when providing an opinion concerning **underwriting policies**

- Specific **conflicts of interest**, as those relate to sustainability, should be considered, such as: remuneration and incentive structures for external asset managers and proxy advisors, remuneration and incentive schemes that promote the distribution of ESG products when those are different than the ones expressed by the target market.

Investors' Duties: ESMA Advice on UCITS and AIFMD

- Member States must ensure sustainability considerations are reflected in: **organisational structures and allocation of responsibilities, the implementation of internal control mechanisms for compliance, internal reporting and communications.**
- Member States must ensure that management companies take into account the need for necessary resources and expertise for the integration of sustainability risks
- **Senior management** must be responsible for the integration of sustainability risks
- Due diligence procedures must include: **impact of investment activity on sustainability factors, integration of sustainability risks, development of engagement strategies with a view towards reducing negative impacts.**
- **Conflicts of interest in relation to ESG risks** must be explicitly considered – similar to EIOPA's advice on Solvency II.
- General risk management: **explicit mention to sustainability risks.**

Investors' Duties: ESMA Advice on MiFID

- Where relevant in **accordance to client preference**, firms should take sustainability risks into account in order to comply with regular organisational requirements otherwise stipulated by the Directive.
- Sustainability risks must be integrated into all **risk management processes**.
- In terms of product governance, investment firms should **identify the ESG profile of the target market**, where relevant, and Member States must **ensure consistency between the target market and the ESG characteristics of the instrument in question**.
- These requirements should be reflected in the **distribution and review of relevant products**.

Taxonomy: Overview

- Meant to prevent **fragmentation of the internal market** by **harmonizing differing standards** for the labelling and other promotion of “sustainable” products
- According to the EC’s intent, meant to only cover **environmentally sustainable economic activities** (corporate level) in particular areas, while abiding to **minimum social safeguards**.
- Activities have to contribute to: **climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy, waste prevention and recycling; pollution prevention and control, protection of healthy ecosystems.**
- Activities under any one category **must not significantly harm** others, e.g. nuclear energy.
- Requirements on investors in the marketing and distribution of sustainable products, and governments in creating national standards for labels, etc.
- Currently focused on the following sectors: **agriculture/forestry/fishing, manufacturing, electricity and gas stream supply, transportation and storage, construction and real estate, etc.**

-

Low-carbon Benchmarks

- Two new “voluntary labels” that will support investors in preventing greenwashing when using benchmarks.
- Climate-transition benchmark: “low-carbon alternative” to traditional benchmarks.
- Paris-aligned benchmark: will only comprise companies that can demonstrate that they are aligned with a 1.5° target.
- The TEG is responsible for determining the technical standards for defining which companies can be engaged in each.

Future of EU Legislation on Sustainable Finance:

- The progression of the Action Plan finds itself at a critical stage:

(1) all regulations voted or negotiated are **heavily delegated**, meaning many of the substantive standards for compliance will be developed in the future;

(2) political uncertainty in the Parliament, both with the arrival of a cohort of primarily first-time MEPs,

(3) conclusion or near-conclusion of all files released last May means uncertainty over what is to come, what will be tackled next? Non-Financial Reporting Directive & Credit Rating Agencies, potentially.

(4) New Commission priorities: “Sustainable Europe Investment Plan”, “green financing strategy”, “European Green Deal”.

Closing thoughts:

- Sustainable finance is **here to stay**, even if no one can claim to accurately describe what exactly it is or should be.
- Millennial investors play a strong role in this, as the **demand for ESG-themed products** is expected to grow.
- Market led the regulators, but it may very well **be the opposite in the future – International Platform on Sustainable Finance**.
- **Disclosures** are still lagging, but the emphasis is increasingly on internal processes (ORSA, etc) and the **governance of financial institutions** – virtue begins at home.
- The **role of supervisors will be expanded**, as policymakers are pushing for stronger oversight of compliance with new regulation.
- Cooperation of stakeholders (industry, civil society, trade unions, supervisors, policymakers) is crucial because whether from the regulation or the market, further expectations on financial actors will be created – **it's good to be part of that conversation**.

Thank you for your attention!

Að sýna ábyrgð

MORGUNVERÐARFUNDUR FME

24. OKTÓBER 2019

ÓLAFUR SIGURÐSSON





Gildisviðmið

Birtu lífeyrissjóðs

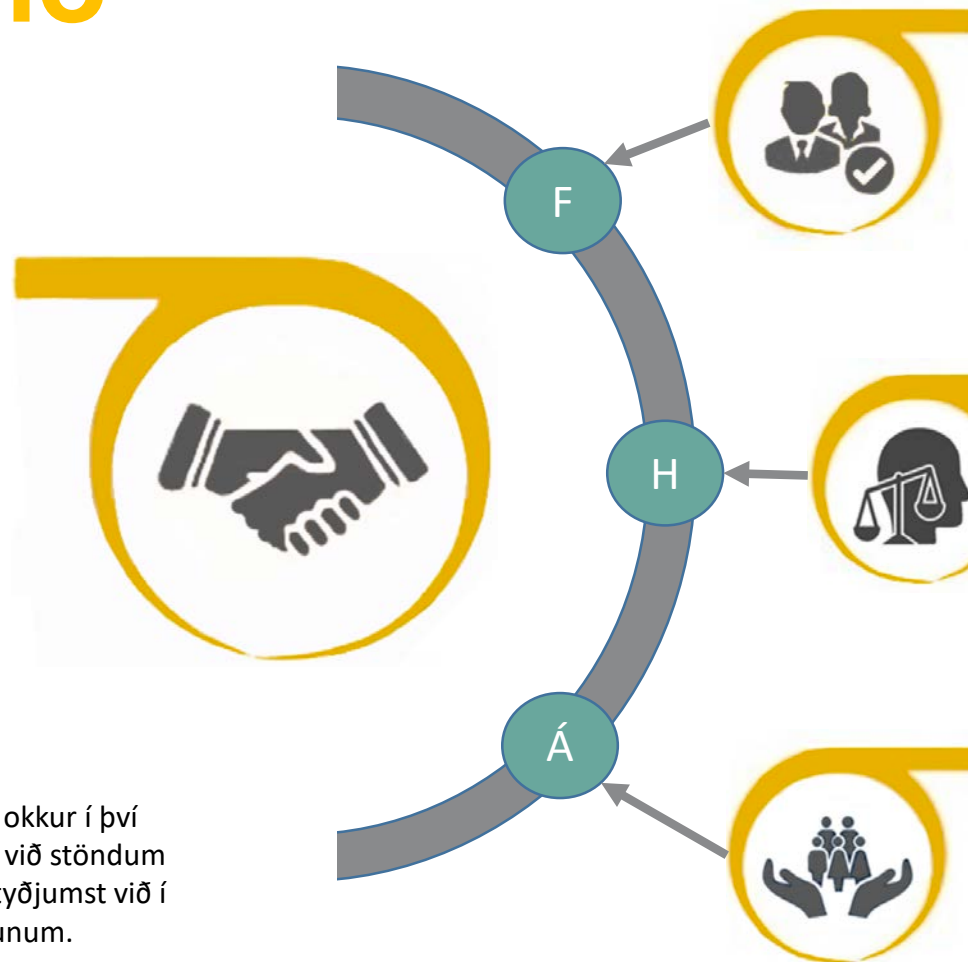
Traust

Traust er óskagildi okkar, það gildi sem heldur starfsemi Birtu gangandi, frumskilyrði í öllu okkar starfi. Við viljum byggja upp traust og viðhalda trausti allra hagaðila. Til þess að viðhalda trausti sjóðfélaga höfum við sett okkur starfsgildi sem við teljum að stuðli að trausti

Af hverju að setja sér gildi

Gildin styðja við stefnu stjórnar og leiðbeina okkur í því hvernig við gerum hlutina og skilgreina hvað við stöndum fyrir. Þau eru mikilvægt stjórnæki sem við styðjumst við í daglegum viðfangsefnum og stórum ákvörðunum.

Minnislykillinn er fimleikafélagið FHá => T



Fagmennska

Við hlítum lögum og reglum sem um starfsemina gilda og tryggjum jafnræði á meðal hagaðila með samræmdum starfsvenjum. Verklagsreglur og vinnulýsingar eru vel ígrundaðar og við fylgjum þeim. Við lýsum því sem við gerum á þeim faglega grunni sem þær byggja á. Við höldum trúnaði við sjóðinn og upplýsum ekki um það sem leynt á að fara.

Heiðarleiki

Við stundum viðskipti af heilindum. Við beitum ekki bolabrögðum, óviðeigandi þrýsting eða þvingun til að ná markmiðum okkar. Við afvegaleiðum ekki umræðuna okkur í hag heldur viðurkennum mistök til að læra af þeim og við tilkynnum um hagsmunarárekstra. Við horfum fyrst og fremst á hagsmuni sjóðsins.

Ábyrgð

Ábyrgð fylgir skylda og skuldbinding um að gera það sem okkur er veitt umboð til að gera. Að fylgja verkefnum eftir af skyldurækni og hollustu við sjóðinn. Við kennum ekki öðru um og leitumst við að leysa það sem við getum af ábyrgð.

Ábyrgar fjárfestingar

- Birta lífeyrissjóður nálgast ábyrgar fjárfestingar sem eina af hugmyndafræði sjóðsins sem miðar að því að bæta vænta ávöxtun og áhættu til lengri tíma með sjálfbærni sem megin markmið samkvæmt USS flokkun.
- Hugmyndin er að bæta við hefðbundna fjárhagslega greiningu **Umhverfis-**, **Samfélags-** og **Stjórnháttarsjónarmiðum** sem ætlað er að styðja við **sjálfbæra þróun til lengri tíma**.
- Fjárfestingarkostir eru rýndir með ofangreind markmið í huga sem og er fjárfestingum fylgt eftir samkvæmt eigendastefnu sem virkjuð er bæði með leiðsögn og skoðanaskiptum við haghafa.

Nokkur dæmi af USS umræðu



Umhverfið

- Loftlagsbreytingar
- Hagnýting auðlinda
- Flokkun sorps
- Mengun
- Náttúruvernd



Samfélagið

- Lífskjarasamningar
- Mannréttindi
- Erlent vinnuafli
- Vinnuaðstaða
- Öroroka



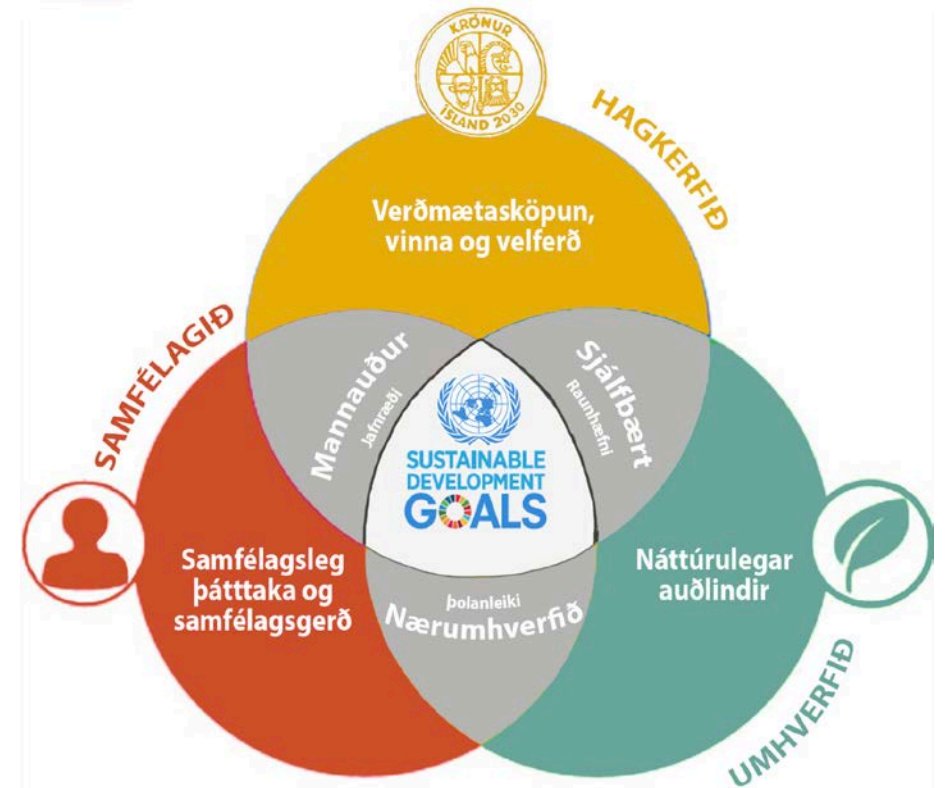
Stjórnarhættir

- Peningaþvætti
- Starfskjarastefnur
- Tilnefninganefndir
- Jafnlaunavottun
- Skattasniðganga

Hugmyndafræði ábyrgra fjárfestinga

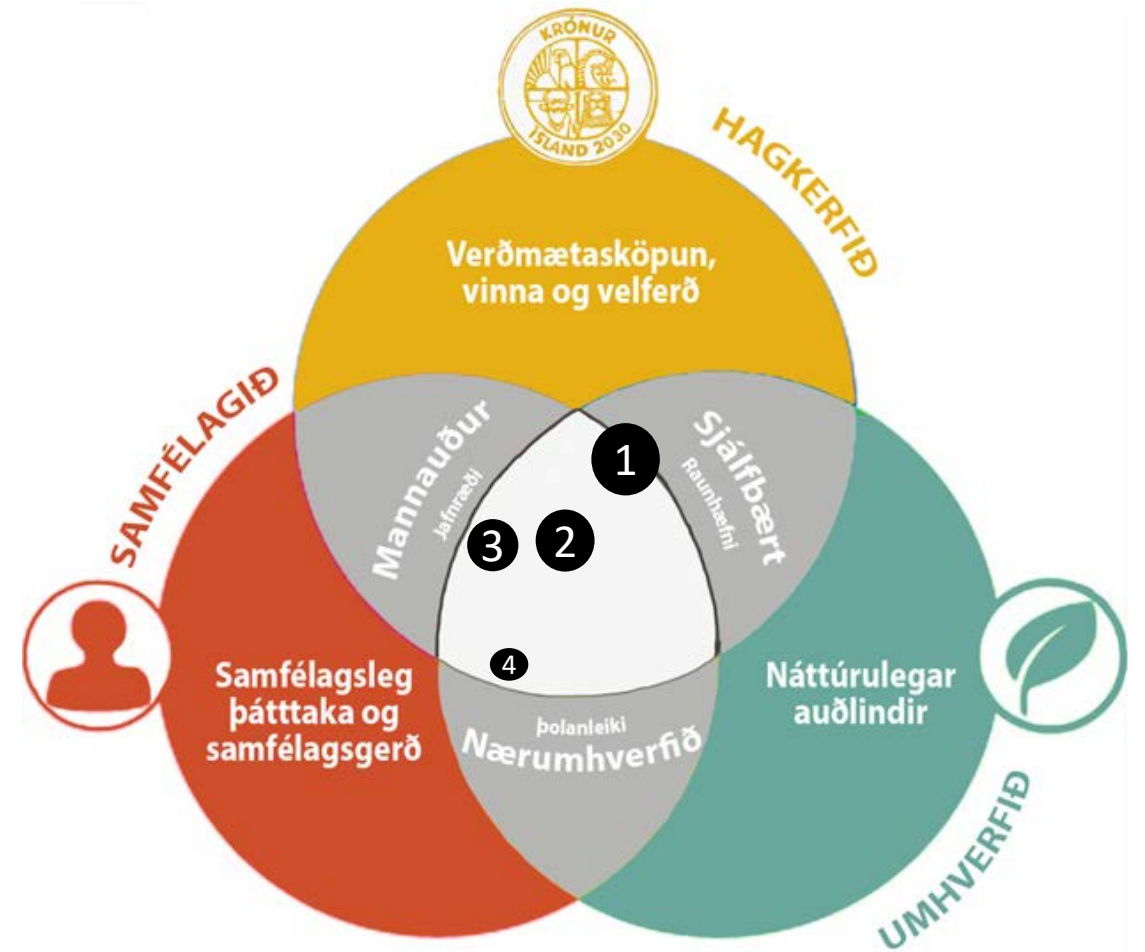
Sjálfbærni markmið Sameinuðu þjóðanna

- Birta lífeyrissjóður er aðili að leiðbeinandi reglum Sameinuðu þjóðanna um ábyrgar fjárfestingar (e. *Principles for Responsible Investment*).
- Árið 2015 samþykktu Sameinuðu þjóðirnar 17 markmið um sjálfbæra þróun fyrir árin 2015 – 2030. Að mati Sameinuðu þjóðanna eiga ábyrgar fjárfestinga að stuðla að sjálfbærri þróun þar sem **nútíma þörf er mætt án þess að skerða möguleika komandi kynslóða á að mæta þörfum sínum.**
- Markmiðin byggja á þremur meginstoðum; vistfræðilegri, félagslegri og efnahagslegri, sem eru óaðskiljanlegar og háðar hverri annari.
- Atvinnustarfsemi sem á arðbæran hátt nýtir náttúrulegar auðlindir með sjálfbærum hætti og starfar í sátt við samfélagið, nær jafnvægi í sjálfbærri þróun til lengri tíma.



Að meta sjálfbærni fyrirtækja í sjávarútvegi

- Verðmætaskapandi stjórnarhættir
 - Umræða um auðlindargjald og viðunandi arðsemi.
 - Sjálfbær skuldastaða
 - Fjárfesting í tækni og nýsköpun
- Samfélagið
 - Frjálst framsal aflaheimilda og áhrifin á byggðapróun
 - Landvinnsla og ferskfisksala
 - Aflahlutdeild sjómanna og kjarasamningar
- Náttúran
 - Stofnmælingar Hafrannsóknarstofnunar
 - Brottkast og eftirlit með veiðum
 - Umhverfisvænni skipafloti
 - Fráveita vinnslu á landi og lyktarmengun



Hringborð ábyrgra fjárfestinga

Sjálfbærni markmið Sameinuðu þjóðanna

Sameinuðu þjóðirnar hafa gefið hverju markmiði ákveðið myndmerki sem heimilt er að nota til kynningar.

Hornsteinn Birtu er markmið nr. 17: **Samvinna um markmið**, sem gengur út á styrkja tækifæri til að útfæra og efla samstarf um sjálfbæra þróun. Út frá miðju má meta áhrif fjárfestinga á hvern þátt og jafnvel marga.

Við getum sýnt ábyrgð og skilgreint fjárfestingar eftir sjálfbærnimarkmiðum og gert betur grein fyrir því hvernig þær stuðla að sjálfbærri þróun. Færa má fjölmörg rök fyrir því að fjárfestingar Birtu bæti sjálfbæra þróun, bæði í nær samfélaginu og á alþjóðavísu.



TAKK!





Ábyrgar fjárfestingar: Hlutverk Fjármálaeftirlitsins

Unnur Gunnarsdóttir
Forstjóri Fjármálaeftirlitsins



FJÁRMÁLAEFTIRLITIÐ

THE FINANCIAL SUPERVISORY AUTHORITY, ICELAND

Ábyrgar fjárfestingar/UFS

- Mikil áhersla verið lögð á UFS á alþjóðavísu
- Fyrirhuguð útvíkkun á umboði evrópsku eftirlitsstofnanna, EBA, ESMA og EIOPA
 - Veigamiklar breytingar á tilskipunum og reglugerðum er varða fjármálamarkaðinn í farvatninu
 - Aukið og jafnvel umdeilt hlutverk fjármálaeftirlita
- Fjármálaeftirlitið er nú þegar byrjað að móta eftirlit með UFS þáttum á grundvelli þeirra heimilda sem þegar eru til staðar
 - t.a.m. varðandi fjárfestingar lífeyrissjóða
- Almannahagsmunir í húfi, m.a. rík tengsl við fjármálastöðugleika
 - Vanmat á umhverfisáhættum auk áhættu vegna orkuskipta
 - Ef áhættur raungerast og of lítið er gert eða of seint gripið til aðgerða gæti það haft veruleg áhrif á fjármálastöðugleika á heimsvísu
- Hvað er framundan?

Siðferðisleg viðmið í fjárfestingum lífeyrissjóða

- Lífeyrissjóður skal setja sér siðferðisleg viðmið í fjárfestingum
 - sbr. 5. tl. 1. mgr. 36. gr. laga nr. 129/1997 um skyldutryggingu lífeyrisréttinda og starfsemi lífeyrissjóða
- Siðferðisleg viðmið ekki skilgreind í lögnum eða lögskýringargögnum en almennt litið til:
 - Heimsmarkmiða Sameinuðu þjóðanna
 - Viðmiða Sameinuðu þjóðanna um ábyrgar fjárfestingar
 - UFS
- Þar sem ekki er til flokkunarkerfi (e. taxonomy) varðandi siðferðislegar fjárfestingar er það undir hverjum lífeyrissjóð komið að móta sitt eigið verklag og viðmið í þessu samhengi
- Fjármálaeftirlitið leggur mat á aðgerðir lífeyrissjóða, þ.e. fjárfestingastefnu og þau viðmið sem unnið er eftir, en ekki hvort einstaka fjárfestingar séu siðferðislega réttar

Yfirstandandi athugun á siðferðislegum viðmiðum lífeyrissjóða

- Með hvaða hætti hafa siðferðisleg viðmið verið sett og hvað var notað til viðmiðunar?
- Hvernig eru siðferðisleg viðmið höfð til hliðsjónar við fjárfestingar?
- Er til skjalfest verklag?
- Upplýsingar um áhættur og árangur af beitingu siðferðislegra viðmiða
- Upplýsingagjöf til sjóðfélaga vegna siðferðislegra viðmiða
- Áhrif á fjárfestingaákvörðanir og helstu hindranir
- Lýsing á dæmi um fjárfestingu þar sem siðferðisleg viðmið voru höfð til hliðsjónar

Áhættumat eftirlitsskyldra aðila

- Fjármálaeftirlitið framkvæmir árlegt áhættumat á hverjum og einum eftirlitsskyldum aðila þar sem helstu áhættur í starfsemi þeirra eru metnar
- Hluti af mati á stjórnarháttum er hvernig eftirlitsskyldir aðilar fylgja innri reglum og eigin stefnum.
- Þó nokkur fjöldi eftirlitsskyldra aðila búinn að setja sér stefnu um ábyrgar fjárfestingar.
- Í þeim tilfellum er hluti af áhættumati eftirlitsins á stjórnarháttum að meta hvernig stefnu um ábyrgar fjárfestingar er fylgt.

ICAAP og ORSA

- Fjármálafyrirtæki framkvæma árlega innramat á eiginfjárförf eða ICAAP og váttryggingafélög framkvæma árlega eigið áhættu- og gjaldþolsmat eða ORSA
- Þrátt fyrir að ekki sé kveðið á um að sérstaklega eigi að taka tillit til UFS þátta í ICAAP og ORSA, er skýrt að matið á að taka til allra áhættuþátta sem eru viðeigandi í starfsemi aðilans
- Hingað til hefur Fjármálaeftirlitið ekki orðið vart við að innlendir aðilar hafi tekið tillit til UFS þátta í ICAAP eða ORSA skýrslum sínum
- Erlendis þekkist að váttryggingafélög, sérstaklega á svæðum þar sem umhverfisáhrif vegna loftslagsbreytinga hafa mikil áhrif á váttryggingaáhættu, taki í auknum mæli tillit til UFS þátta í ORSA
- Hérlandis gæti tilvist Náttúruhamfaratryggingar Íslands haft mildunaráhrif á slíka áhættu hjá innlendum váttryggingafélögum

Næstu skref

- UFS þættir samþættir í regluverk varðandi váttryggingatengdar fjárfestingarafurðir.
- Lög um dreifingu váttrygginga og breytingar á lögum um váttryggingasamninga innleiða Insurance Distribution Directive (IDD).
 - Kveðið á um í afleiddri reglugerð, sem verður innleidd innan tíðar, að við þarfagreiningu vegna váttryggingatengdra fjárfestingarafurða skuli kanna óskir váttryggingataka m.t.t. UFS og veita ráðgjöf í samræmi við þær.
- Samkvæmt Packaged Retail and Insurance-based Investment Products Regulation (PRIIPs) sem verður innleidd innan tíðar, skulu upplýsingar um UFS þætti koma fram í stöðluðu upplýsingaskjali sem skal fylgja váttryggingatengdum fjárfestingarafurðum
- Leiðir til aukinnar neytendaverndar og vitundarvakningar hjá almenningi

Hvað er framundan?





FJÁRMÁLAEFTIRLITID

THE FINANCIAL SUPERVISORY AUTHORITY, ICELAND