

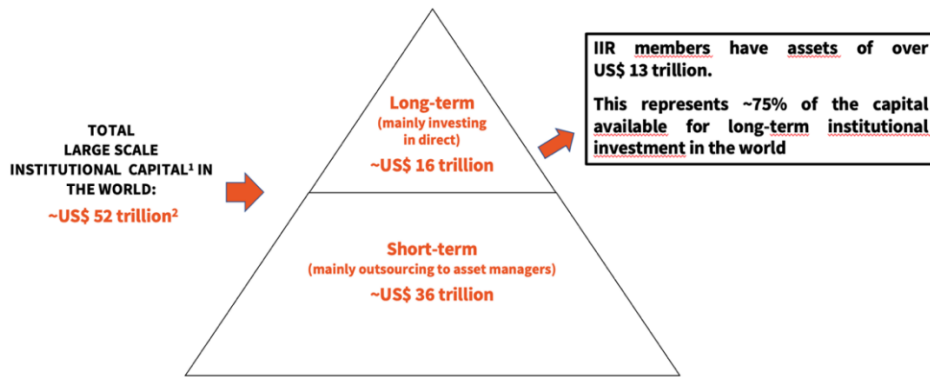


IIR'S STRATEGY TO FOSTER COLLABORATION ON COMPLEX OPPORTUNITIES OF STRATEGIC IMPORTANCE FOR GLOBAL ASSET OWNERS

INTRODUCTION - THE INSTITUTIONAL INVESTORS ROUNDTABLE (IIR) AND ITS MISSION

- Created in 2011, the IIR is the world leading platform for senior investment executives of global asset owners (mainly pension funds and sovereign funds) to collaborate around private market investments, with a focus on long-term, large scale co-investment opportunities.
- The IIR's mission is to foster collaboration among global asset owners with the sole objective of maximizing their long-term risk-adjusted returns.
- It is peer-owned¹, not for profit, independent and by-invitation only. To protect its independence, the IIR doesn't accept any commercial sources of funding, including from asset managers.
- The IIR is comprised of over 45 leading institutional investors with collective assets exceeding US \$ 13 trillion, representing over 75% of the institutional capital available for long-term investment in the world:

IIR'S IMPACT ON GLOBAL LONG-TERM, LARGE SCALE INVESTMENT



¹ Pension funds, sovereign wealth funds and other asset owners, excluding asset managers and insurers

² Source: Prof. Ashby Monk, Executive Director of Global Projects Center at Stanford University

- The IIR actively engages participants in private, direct and continued discussions on long-term investment strategy and opportunities in intimate, private and well-planned semi-annual meetings over two days set in different parts of the world.
- Discussions in IIR Meetings aims to help global asset owners understand better the investment strategy lifecycle, how opportunities progress from new technologies, new geographies or new sectors to becoming 'institutionalized' – clearly understood and investable at scale by institutional investors. The aim is to identify the trigger points and accelerate progress towards achieving them.

IIR'S STRATEGY TO ADDRESS COMPLEX OPPORTUNITIES OF STRATEGIC IMPORTANCE FOR GLOBAL ASSET OWNERS

A process was designed to address complex opportunities of strategic importance for global asset owners ("Collaboration Opportunities") for which a structured, patient, and collaborative problem-solving ("Deep Dive") approach is required.

Consistent with its mission, IIR's approach to all Collaboration Opportunities is based on the objective of maximizing the long-term risk-adjusted returns of participating asset owners through peer-collaboration, enabling innovation and development of new investment strategies to tackle serious issues facing society.

The process was defined to ensure that:

1. Only priority opportunities are picked for peer discussion within the IIR;
2. A disciplined preparation process takes form well in advance of IIR meetings;

¹ Voting Members are: Abu Dhabi Investment Authority (ADIA), ATP (Denmark), British Columbia Investment Management Corporation (bcIMC), Caisse de dépôt et placement du Québec, CDC Group (France), Canada Pension Plan Investment Board (CPPIB), China Investment Corporation, Future Fund (Australia), GIC (Singapore), Hong Kong Monetary Authority, Ontario Teachers' Pension Plan, PGGM (Netherlands), QIC (Australia), Temasek (Singapore), TIAA (U.S.) and Christian Racicot, as IIR's Founder and CEO.

Particular attention was given to important opportunities and challenges of general public interest such as: investments and disruption arising from climate change, need for new infrastructure worldwide, clean energy, global food and water challenges, investments required in assets underpinning the economic development of national economies, etc. (“Global Economic Challenges” – see next section) which, by their nature, are global and require a multi-stakeholder collaboration strategy that include national governments and other aligned “Public Interest Parties”².

The IIR “strategy to address complex opportunities of strategic importance for global asset owners” will immerse teams from the IIR organizations into Deep Dive discussions with the support of the IIR Executive Team, along the following steps:

1. Identifying priority Collaboration Opportunities at the institutional level:

Heads of investment strategy of IIR organizations identify opportunities of strategic importance that could benefit from peer-collaboration among global asset owners.

- This is part of the IIR’s “Content Generation Process”³.
- When a potential opportunity is championed by a critical number of IIR organizations, it proceeds to Step 2.

2. Mandating internal leaders on each opportunity to form multi-organization “task teams”:

IIR organizations mandate an internal leader to explore in depth the challenge and consider potential collaboration opportunities related to the Deep Dive.

- Taken together these internal leaders form a Task Team on the Opportunity.
- The Task Team will be mandated to engage the Deep Dive in conjunction with IIR’s Executive Team.
- The Task Team mandate ensures that all discussions are supported at all times by all IIR organizations involved, at the institutional level.
- Once mandated, the Task Team undertakes Step 3.

3. Building a business case for peer collaboration:

On each Deep Dive, Task Teams are required, with the support of the IIR Executive Team, to:

1. Define the Collaboration Opportunity and its strategic importance at the institutional level;
2. Identify the major constraints to efficiently address the opportunity at scale, understand how it may evolve and what are the triggers to enable progress;
3. Elaborate a thesis on how peer collaboration may contribute to address it;
4. Articulate a framework for peer-discussion and, when possible, draft “strawman” proposal(s) for peer-collaboration.

4. Presenting the case for peer discussion within IIR Meetings:

A “Business Case” on each opportunity is prepared and refined with the support of IIR’s Executive Team and shared on a continuous basis within each Task Team, allowing IIR organizations to review progress, consider new perspectives and interact with the other IIR organizations interested on the same issues.

This Business Case will be distributed to the broader IIR community ahead of each IIR Meeting and discussed as part of the meeting agenda.

5. If/when a Collaboration Opportunities relating to a Global Economic Challenge would benefit from a multi-stakeholder collaboration with the support of a civil society partner (“Public Interest Party”): it will be explored in greater depth within the IIR’s Long-Term Investment Summit as explained next.

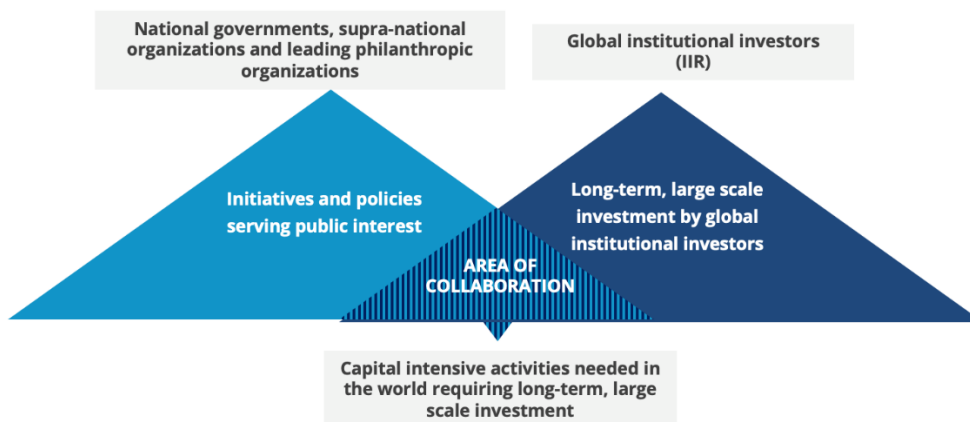
² Public Interest Parties are national governments, global philanthropic organizations and not-or-profit supra-national organizations who agree to support (including financially) a Deep Dive discussion on a Collaboration Opportunity of interest to the IIR community. Additional information is available on demand.

³ Continuous prep-calls and surveys by the IIR Executive Team, interviewing the “horizontal” and “vertical” decision-makers of all IIR organizations; e.g.: the heads of investment strategy (senior executives whose mandate is focused on setting priorities at the institutional level around cross-asset class strategy, e.g. CIOs, head of investment strategy, etc.) and the executives whose mandates are focused on implementing the institution’s investment strategy within specific private market asset classes (heads and other senior investment executives from private equity, private credit, real assets, infrastructure, real estate).

STRATEGY TO ADDRESS COLLABORATION OPPORTUNITIES RELATING TO GLOBAL ECONOMIC CHALLENGES: PRESENTING THE LONG-TERM INVESTMENT SUMMIT

The IIR can be a force for unprecedented societal benefit by helping global asset owners on investments opportunities that are essential to long-term sustainable economic development that require large-scale, long-term capital.

Accordingly, without derogating from its mission of maximizing long-term risk-adjusted returns of its member organizations⁴, the IIR Board decided to dedicate the last day of IIR Meetings to structured discussions on Collaboration Opportunities relating to Global Economic Challenges, in which relevant industry and thought leaders will also be included, in collaboration with aligned Public Interest Parties⁵:



This new segment is branded as the IIR’s “Long-Term Investment Summit” to differentiate it from the regular segment of IIR meetings, which remains unchanged (peer-to-peer interaction exclusive for senior investment executive of IIR organizations):

	IIR PRIVATE SESSIONS Days 1 & 2	IIR'S LONG-TERM INVESTMENT SUMMIT Day 3
8am		IIR’s “Deep Dive Discussions” on Global Economic Challenges (Structured discussions on large scale opportunities focussing on Global Economic Challenges in which key industry leaders, academic authorities, sectorial experts are invited to participate)
12pm	IIR Private Session #2 (Exclusive to decision-makers on investment strategy and implementation)	
	IIR Private Session #1 (Exclusive to decision-makers on investment strategy)	Closing cocktail
6pm	IIR Private Session #3 (Exclusive to decision-makers on investment strategy and implementation)	
	Welcome Cocktail & Dinner	Long-Term Investment Summit’s Opening Cocktail and Dinner

The Summit is run by the IIR’s parent organization (Long-Term Investment Organization) in collaboration with the IIR Executive.

⁴ See: Guest Viewpoint by Christopher Ailman (CIO at CalSTRS) and Mark Walker (CIO at Coal Pension Trustees), IPE, May 2018 at <https://www.ipe.com/analysis/guest-viewpoint/guest-viewpoint-christopher-ailman-and-mark-walker/10024398.article>, in which the authors explain that all forms of “sustainable investment” (including ESG factors, impact investment or responsible investment) are “the same thing to a long-term institutional investor” because they are included in the notion of “long-term business operational risk”.

⁵ “Public Interest Parties” include: national governments, international organizations (ex: World Bank Group, OECD, etc.), industry leaders, global philanthropies, academic authorities or other thought leaders or sectorial experts.