

# "Impact investment training for pension funds"

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Discussion topics from Pensions for Purpose's first Impact Investment Training Series workshop.

## Key points from the training:

- Impact investment training helps pension funds and their professional advisers to understand the spectrum of capital and where they sit on it, asking them the question - are you a responsible, sustainable and/or impact investor?
- An investor cannot set investment beliefs without full knowledge and transparency on what options are available in the market. Impact investment training helps to bridge that gap as more and more investment products label themselves ESG, sustainable or impact, in accordance with a number of different frameworks.
- We explored the different types of responsible, sustainable and impact investments, and what these could look like in public and private markets.
- We also used the Impact Investing Principles for Pensions, developed by the Impact Investing Institute in partnership with Pensions for Purpose, to explore the good governance steps a pension fund can take in pursuing impact investing.
- We explored the United Nations Sustainable Development Goals and what an investment thesis can look like in relation to these. We then framed this in the context of which goals other pension funds are targeting.
- We finished with a case study on how an LGPS has used the Principles and integrated the UN SDGs.

## Our attendees and their questions:

We had a mix of pension fund asset owners, investment consultants and advisers join us for this training workshop. Some were well acquainted with the terminology and some were coming to this with no prior knowledge. Questions centred around:

- The trade-offs between risk, return and impact
- Concerns around green or impact washing – how do you ensure you are having the intended impact?
- Is impact about additionality only or also about understanding your net impact?
- What are the first steps we can take?

### **The results**

We have armed our attendees with the knowledge and information to reflect on their investment beliefs, to take this to their trustee boards and investment committees for further consultation, to consider becoming an adopter of the Impact Investing Principles for Pensions, and to ask their investment adviser/consultant to help them on their journey.

We will continue to offer these training workshops to ensure we fulfil our mission of getting more capital to flow towards impact investments.

### **The feedback**

Delegates found the training relevant and helpful, with the session rated "Excellent" overall. Key takeaways included an enhanced understanding of the overall framework and the spectrum of capital, and a realisation that this is a fast-moving space, and that investment thinking is shifting along the spectrum of capital. Feedback was positive, with one delegate responding: "Pensions for Purpose is now an integral part of the fund management industry, providing high quality expertise and training to Funds on ESG issues. They are especially good communicators, which means they really add value in interactive sessions." Another observed that the session was: "An excellent analysis with which to approach climate change and investment choices."

### **Are you a pension fund trustee, manager, CIO, professional adviser?**

We would like you to join Pensions for Purpose as an Affiliate member so that we can invite you to further events and training opportunities - [Affiliate Application | Pensions For Purpose](#). If you are interested in joining another impact investment training workshop, please contact [Charlotte O'Leary](#).