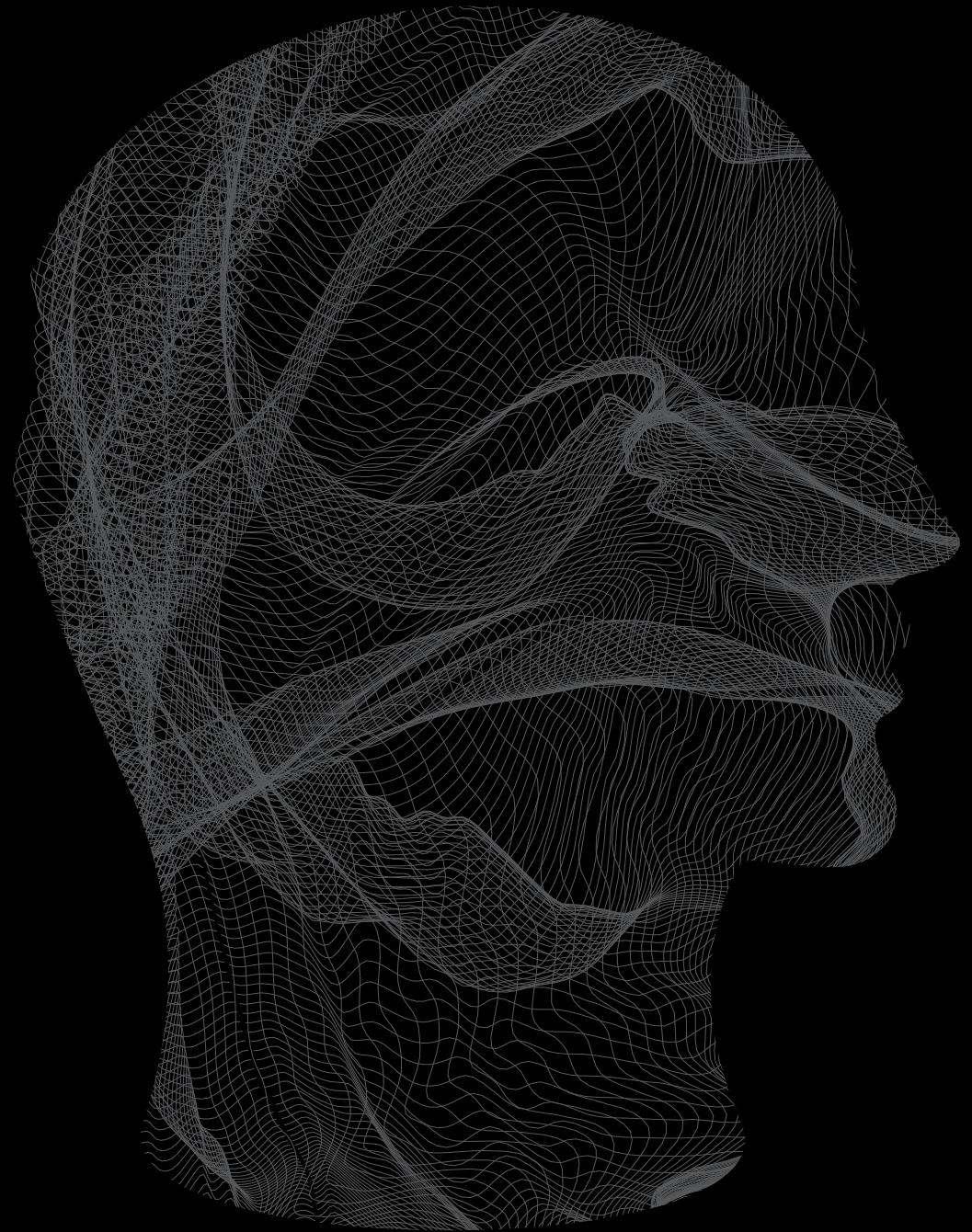


Thinking Ahead Institute
An innovation network founded by WTW

Integrated report 2022
20th Anniversary Special Edition





Thinking Ahead Institute Integrated report 2022

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You can, of course, read this report in a linear fashion. Alternatively, look out for these icons  to view additional content and use the navigation menu at the bottom of each page.

Welcome to our 2022 Integrated report

Change is a constant and 2022 embodied this aphorism. Last year we saw change upon change and an unfolding global polycrisis, which reinforced our view that systemic risk, from a widening range of sources, will continue to rise. Our annual [global pension asset study](#) showed how these risks manifested in the largest assets falls since the GFC, making it a really tough year for most investment firms. We observed that Covid, in a curious way, has played an important role in preparing us for future crises by forcing us to think about the interconnectedness of change and the need to adopt innovative *systems thinking* that helps navigate complex situations successfully. This form of thinking still connects all our research efforts, as it has done for the past [20 years of Thinking Ahead](#) at WTW.

Acknowledging that leadership in the post-Covid environment is a lot tougher, the Investment Organisation of Tomorrow working group continued to co-create a transformational change model to help leader organisations move ahead of the paradigm shift occurring in our industry. Of note is how rapidly the conversations converged on where we work, how we work and the ways in which workplaces and the workforce are organised. This spawned our [future of work](#) project to help members find a work-design *sweet spot* between employee and organisation, where employees – who crave flexibility and meaning – and employers – which require productivity, impact and a culture that aligns with its purpose.

The Investing for Tomorrow working group continued to help members translate their organisational purpose into a driving force to transform the global economy in line with climate targets and societal goals. Last year it covered two areas: society and environment. The former focused on inequality and the just transition, while the latter explored how to achieve climate goals; the halving of emissions by 2030 and biodiversity loss as an investment risk. This work is written up in two publications: [The 'S' of ESG - moving from interest to action](#) and [This is going to hurt: what halving of emissions by 2030 really means](#).

Thank you for all your work on these research initiatives, which we are told has helped advance change in your organisations and is a timely reminder of the power of collaboration. Last year was a record year for adding new members and an indication that our value proposition remains attractive. We're proud to have attracted these world class investment organisations to the fold: The Church of England Pensions Board, New Zealand Superannuation, PGGM Investments, Universities Superannuation Scheme, REST Super, Commonwealth Superannuation Corporation, Insight Investment, Australian Retirement Trust, the Coca-Cola Company and Robeco.

This Integrated report attempts to demonstrate how we have created value for various stakeholders during the year, most especially members. We hope you will see that we have. Looking forward to this year, we draw your attention to how we'd like to add even more value to your organisations, through our [strategic engagement sessions](#) and [toolkits](#). We believe more of the Institute's influence among members will help enable systemic change in the investment industry and we trust in your ongoing support. Perhaps even for the next 20 years?



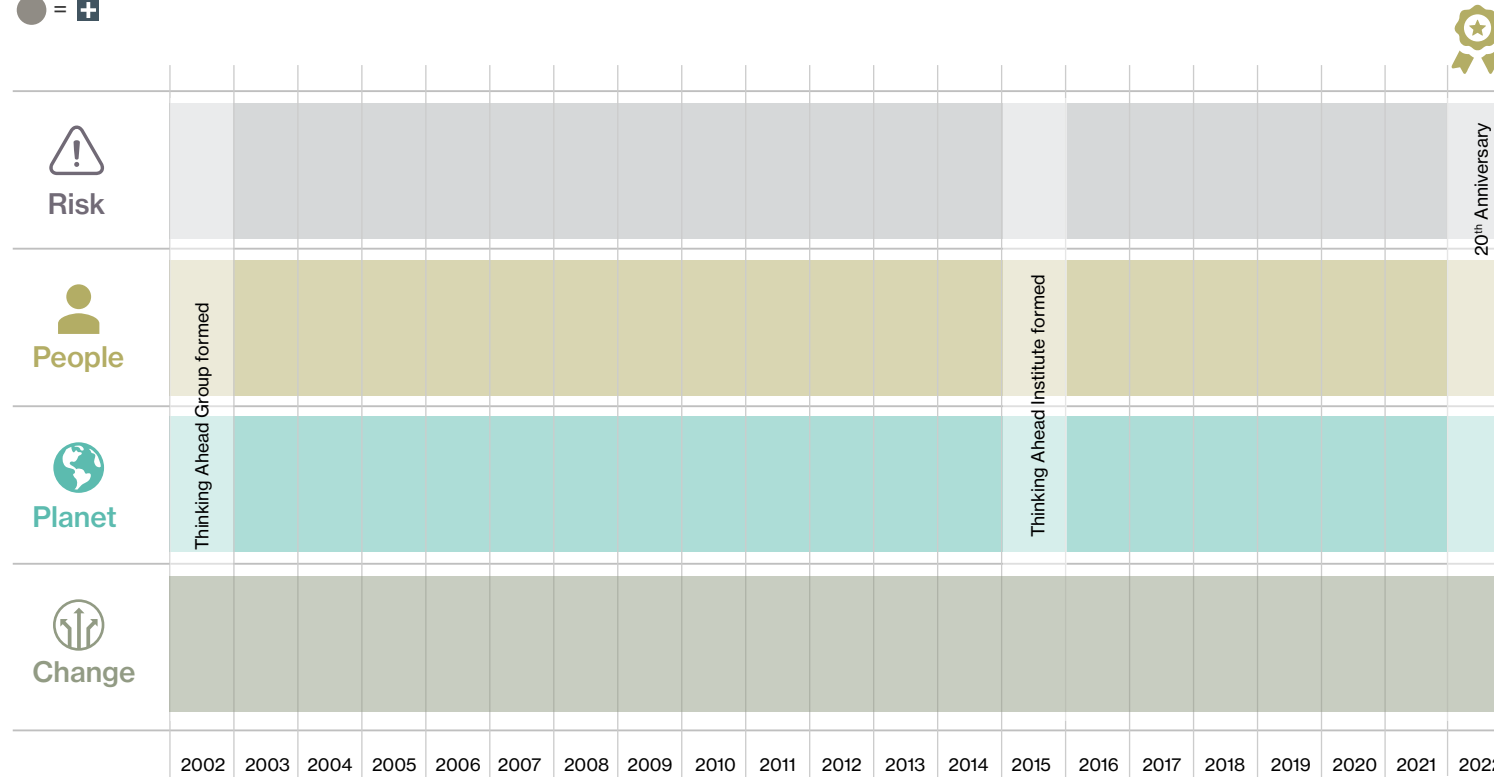
20th Anniversary Special Edition

This special edition of our Integrated report commemorates the 20th anniversary of the Thinking Ahead Institute and its evolution as a leading global research and innovation hub aiming to mobilise capital for a sustainable future.

20 years of Thinking Ahead

Click on each of the bubbles to explore further details

● = +



“ Happy birthday Thinking Ahead! You should be immensely proud of what you have achieved over the last 20 years. It's hard to imagine what the next 20 will bring but I hope we'll see the Institute still playing a significant role in thought leadership. ”

“ The Thinking Ahead Group / Institute has been incredibly influential in developing thought leadership for WTW and the broader investments industry. Congratulations on your achievements and perseverance. ”

Overview of the Institute

It is a global not-for-profit research and innovation hub that connects members from around the investment world to harnesses the power of collective thought leadership. Since establishment in 2015, almost 90 investment organisations have collaborated to bring our vision to light through designing fit-for-purpose investment strategies, working towards better organisational effectiveness and strengthening stakeholder legitimacy.

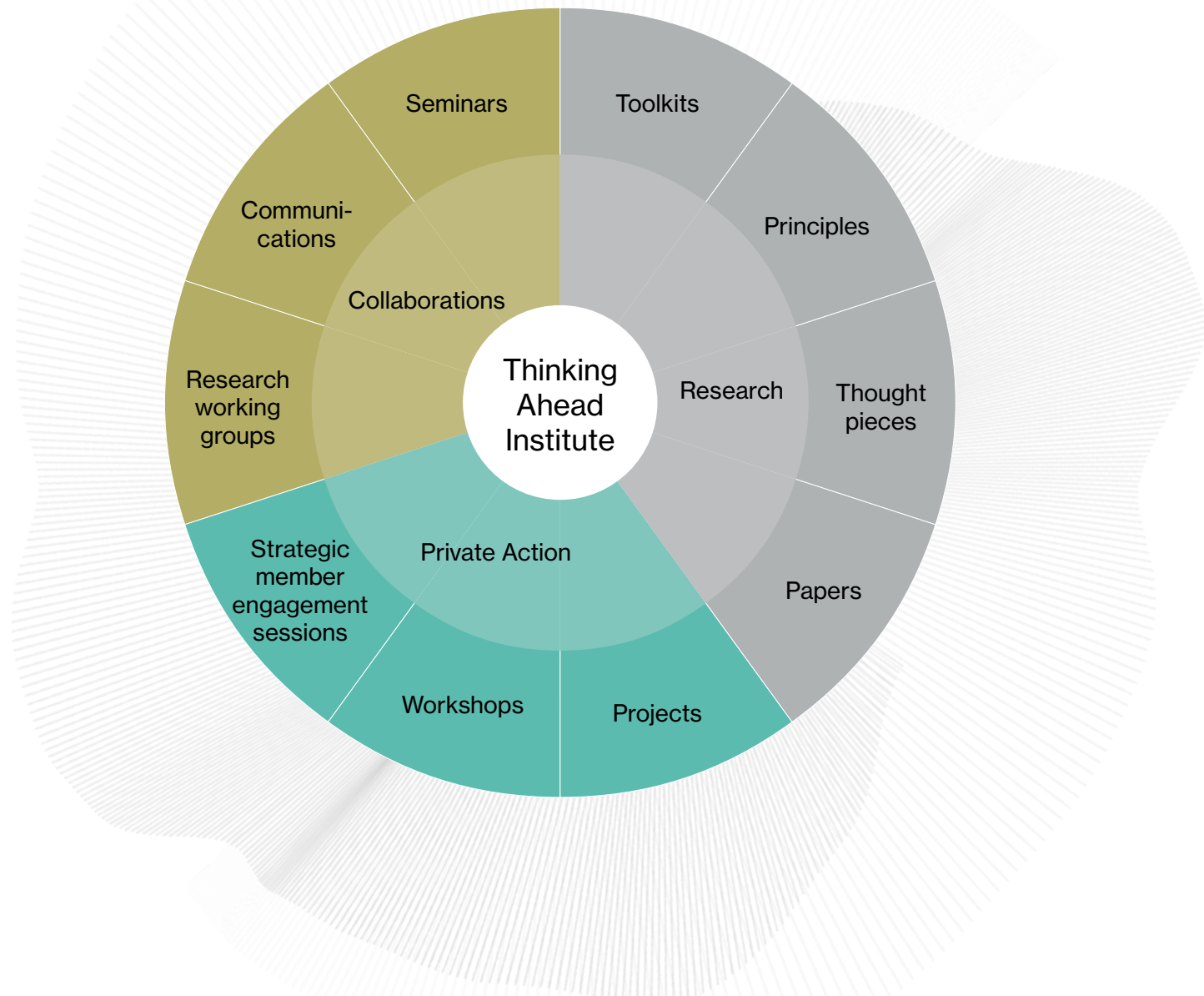


We can see value for asset owners in much of the work of the TAI including the dashboards, assessment tools and frameworks.

Given TAI is c10 years old now, the extent to which investment outcomes have improved as a result of TAI output should be clearer.

We appreciate - and ourselves walk toward - the challenges inherent in marrying longer term thinking with day-to-day decision-making and behavioral changes. But we believe the TAI can go further in driving change in portfolio design in critical areas like decarbonisation and a fair energy transition for all.

Thought leadership transforming into portfolio change should be within reach and measurable and demonstrable through case studies.



Meet the team

The Thinking Ahead team is the full-time executive of the Institute. We believe in the value and power of thought leadership, research and collaboration and between us have over 150 years of combined experience in the investment industry.



Your idea on what would a proper 3D mandate look like is really interesting as it could be a way to start to address this. Does heroic incrementalism = stubborn optimism? I'm not sure if you're familiar with that. I think TAI could make mileage out of 'Practicing stubborn optimism in the real world to overcome daunting problems'.



Andrea Caloisi
Research



Paul Deane-Williams
Director



Jodie Foster
Events



Jess Gao
Research



Marisa Hall
Head



Tim Hodgson
Co-founder



Anastassia Johnson
Research



Issy Martin
Research



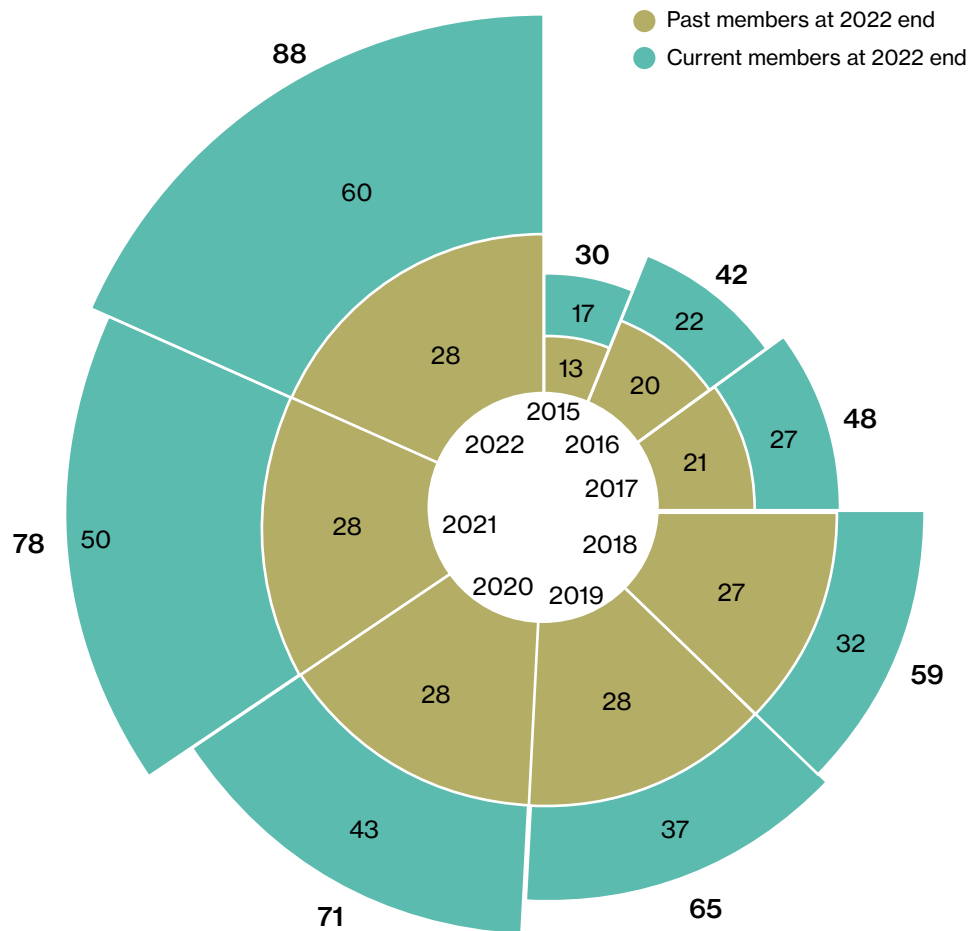
Destiny Onu
Digital Comms



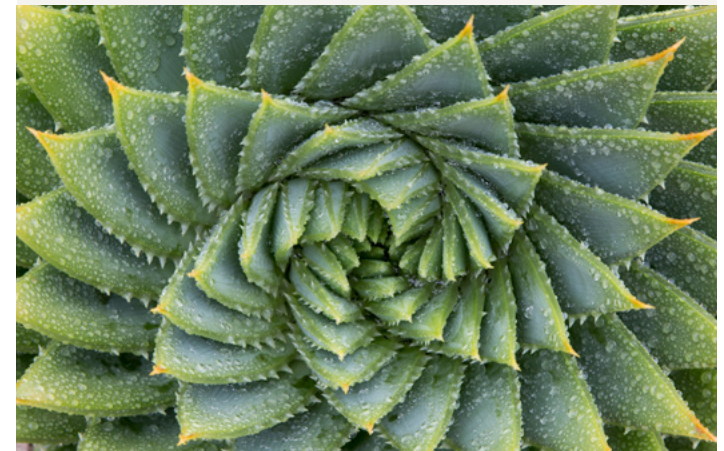
Roger Urwin
Co-founder



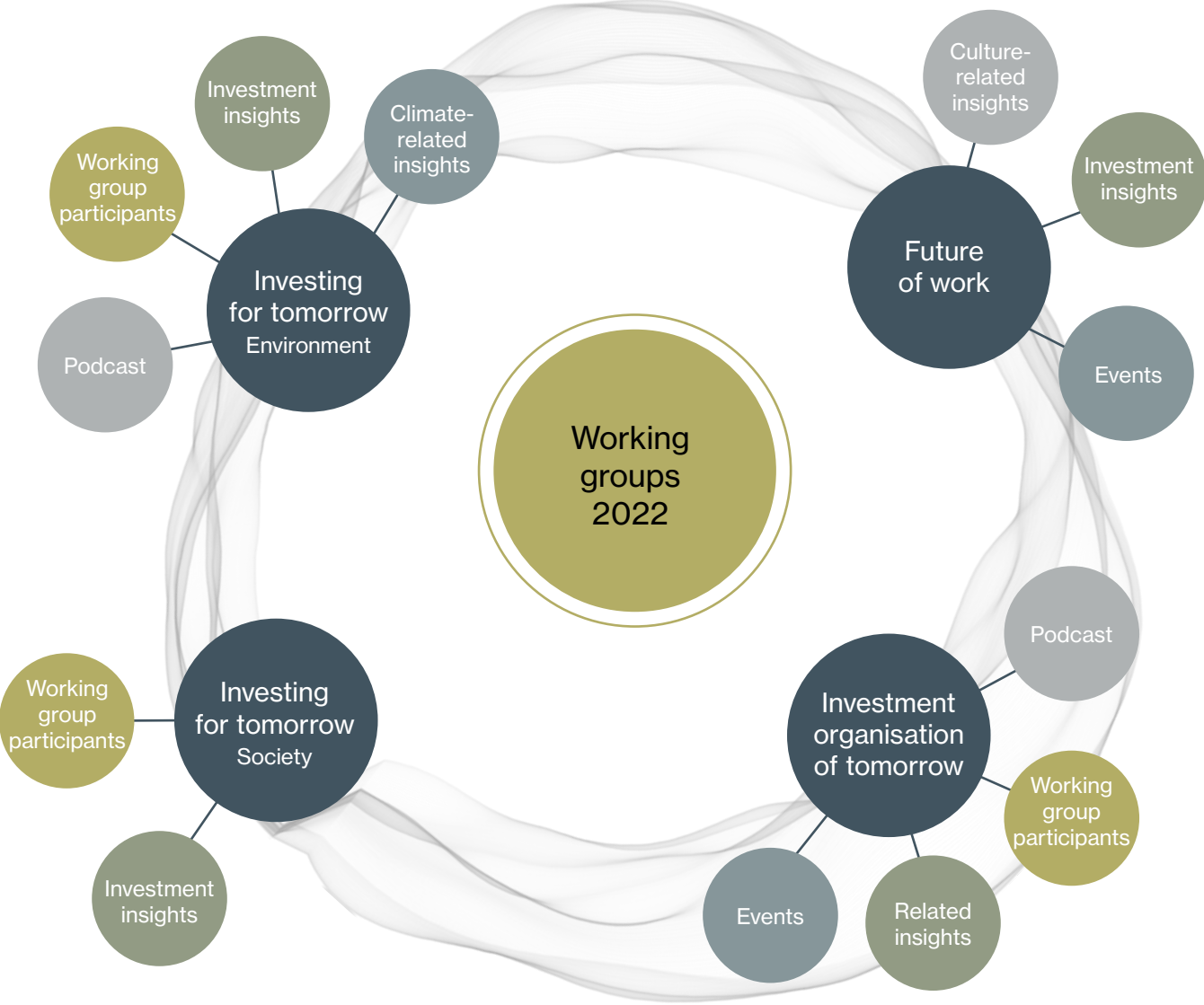
Collaborating with and empowering almost 90 organisations since 2015



- At the end of 2022, the 60 members of the Institute collectively managed assets worth over US\$16 trillion.
- A significant majority of our members, 44 out of 60, have made pledges to achieve net-zero emissions.
- Of these members, 34 aim to reach the goal by 2050, 6 by 2040, 2 by 2035, and 2 by 2030.
- Fifteen members are direct signatories of The Net Zero Asset Managers initiative.
- Furthermore, our members have already committed to managing a total of US\$2.6 trillion in assets in line with net-zero emissions.
- WTW has contributed US\$8.7m to the running of the Institute since its inception.



Research



“
 The environment working group was a highlight. Challenging discussion and a variety of viewpoints led to a diversity of inputs and food for thought about how we progress our own activities in this space.
 ”

Other activities and initiatives



Wider Perspectives: Smarter together

Impacts from the coronavirus have been multiple and far-reaching, spanning governments, markets, organisations, end investors, wider society and the planet. In June, we hosted the third event in our Wider Perspectives series, entitled Smarter together, to explore how none of us is as smart as all of us. Applying this principle provides a grounding in systems theory and helps to solve our complex problems holistically and collaboratively with a style of leadership that is more empowering and empathetic. Among the challenges this helps us through are: hybrid working, sustainable long-term value creation and building investment teams of the future around stronger diversity and culture. [The Wider Perspectives hub](#) contains all our research material on the impacts of the Covid crisis on ourselves, our organisations and the industry.



Industry initiatives: Thinking Ahead Institute (TAI) and PRI to create new global standard for stewardship resourcing

The Institute was selected by the United Nations supported Principles for Responsible Investment (PRI) to research and assess the appropriate level of resources that institutional investors should be prepared to dedicate to stewardship within their organisations.

This joint TAI/PRI project is global and will involve an institutional benchmarking study to better understand current stewardship practices, resourcing requirements and other key costs. It will include [examples of best practice stewardship](#) by asset owners and asset managers and how their activity is monitored, measured and disclosed. In addition, it will propose a calculation methodology to estimate the appropriate levels of resources that investors should be prepared to dedicate to both direct and market stewardship activities, in order to have a real-world impact.



Fundamental return attribution framework and open-source code





The benefits of being a long-horizon investor are well established and the return premium associated with adopting a long-horizon mind set is estimated at between 0.5% and 1.5% a year. To promote a longer-term outlook, the Institute developed a methodology that allows portfolio evaluation to be based not only on market-value returns, but also on changes in fundamental attributes over time.

The code was open-sourced on [Github](#): to enable and promote broad industry uptake of fundamental-based performance attribution. Investment companies can now download it for free and quickly apply the methodology to their own data and replicate or extend it for different needs.



Global industry studies



	Organisation	Size (at 31.12.2021)	Key insights
 Asset Owner 100	Pension funds Sovereign Wealth Funds Insurance companies ICIOs and Master Trusts Foundations and Endowments State Investment Platforms (SIPs)	<ul style="list-style-type: none"> ▪ Largest 100 asset owners ▪ US\$25.7 trillion AUM 	<ul style="list-style-type: none"> ▪ AUM grew by 9.4% from the previous year ▪ Top 20 asset owners made up 54.9% of total AUM ▪ The Government Pension Investment Fund (GPIF) of Japan remains the largest asset owner in the world with an AUM of US\$1.7 trillion
 Global Pension Asset Study	Pension funds	<ul style="list-style-type: none"> ▪ 22 pension markets ▪ US\$56.6 trillion AUM ▪ 76% of GDP (of respective economies) 	<ul style="list-style-type: none"> ▪ The pension fund market remains highly concentrated, with the US accounting for 62% of total P22 assets ▪ The 7 largest markets make up 92% of P22 assets. ▪ AUM grew by 6.9% from the previous year
 300 largest pension funds	Pension funds	<ul style="list-style-type: none"> ▪ Largest 300 pension funds ▪ US\$23.6 trillion AUM 	<ul style="list-style-type: none"> ▪ AUM in the top 300 funds grew by 8.9% compared to the previous year ▪ DB fund assets account for the majority of disclosed total AUM at 63.5% ▪ Pension funds' resilience is being tested by elevated macro uncertainty and volatility ▪ Sustainability is still a prime goal of the industry
 500 largest asset managers	Asset managers	<ul style="list-style-type: none"> ▪ 500 largest asset managers ▪ US\$131.7 trillion AUM 	<ul style="list-style-type: none"> ▪ Volatile macroeconomic conditions in 2022 means the world may be teetering on the edge of a synchronised recession ▪ ESG regulation is becoming more rigorous and prescriptive demanding more data and transparency

Our most read forum posts of 2022

1 We need more imaginative teams but are we killing innovative ideas too early?

Investment firms must tackle complex social and environmental challenges by building psychologically safe "Superteams" to foster creativity and innovation. Teams with diverse views and trust foster creative breakthroughs that lead to industry-altering solutions.

Author: Isabella Martin
Publish date: July 29, 2022

2 The future of social capital

Investment organisations face growing challenges on several fronts: attrition and hiring challenges, loss of inclusiveness and trust, difficulties from fatigue, and belonging. Improving social capital offers some clear off-sets to these issues for individuals and organisation.

Author: Roger Urwin
Publish date: September 8, 2022

3 Why we should all be a little more human at work

Regularly sharing personal experiences and emotions in the workplace fosters a sense of belonging, allows for empathy and support, and promotes work-life balance and resilience.

Author: Isabella Martin
Publish date: April 5, 2022

4 Phase down or phase-out | is there a difference?

The choice of phase down or phase out fossil fuels will reveal our underlying values and beliefs. It is, pretty much, an ideological choice

Author: Tim Hodgson
Publish date: November 25, 2022

5 It's a small world after all

For the global north to properly manage climate risk in investment portfolios the global south and emerging markets must also transition to sustainable growth.

Author: Emile Pelier
Publish date: August 8, 2022

6 Thinking Ahead at 20

The Thinking Ahead Group reflects on their 20-year journey in investment consulting, emphasizing the importance of teamwork, culture, and soft skills.

Author: Timothy Hodgson
Publish date: June 27, 2022

7 Pay now or pay later?

Why the investment industry has a responsibility to address the impacts of climate change sooner rather than later to best protect the interests of investors and their beneficiaries.

Author: Isabella Martin
Publish date: October 26, 2022

8 Beyond ESG | systems solutions for sustainability

The piece is based on a lecture series with independent sustainability expert Duncan Austin. It provides a highly thought-provoking systems view of a world post ESG.

Author: Tim Hodgson
Publish date: June 15, 2022

9 Net-zero is a moral, as well as technical, problem | a just transition thought experiment

'Net-zero by 2050' represents a forcing into a shorter time frame, of a transition that would occur naturally over a longer time frame. This introduces a moral dimension to our technical problem. It is the imposition of a social / environmental goal, with consequences for all.

Author: Tim Hodgson
Publish date: May 23, 2022

10 To explore, or not to explore

This piece considers whether it is now time to stop exploring for new fossil fuel sources.

Author: Isabella Martin and Jeff Chee
Publish date: December 14, 2022

Practical applications for asset owners and asset managers

Based on our 2022 research, we suggest the following as possible actions:

Investing for tomorrow

Investment organisation of tomorrow (IOOT)

The future of work

Case studies

1. The future of work

In 2022, a member commissioned TAI to conduct a review into their hybrid working arrangements, following our research on the **future of work**. Their existing work model allowed for individual employees to choose their own work arrangements (locations and days) and polling suggested that individuals felt disconnected from the workplace, with previously good cultural practices under challenge.

We worked with the leadership team in four key areas:

Hybrid design – improving clarity on what hybrid arrangements looked like

- Agreed a ‘2 to 3’ day in the office model following feedback from employee focus groups
- Senior leaders especially encouraged to act as role models to pass on learning
- Improved coordination by specifying in-office days, while allowing individuals to maintain a degree of flexibility based on their needs.

Office vision – greater guidance on ‘good’ office practice (See Figure 1)

- Focus on ‘magnetic’ offices that emphasised social interactions, network building, and creativity/innovation hubs
- Technology project to modernise networks and improve room technology for hybrid meetings
- Better software and hardware support for remote working
- Used TAI’s work design matrix as a guide to thinking about where various tasks are best done.

Figure 1:

Work design matrix		The work category that the majority of this task works best with		
Task	Examples	Social capital	Remote	Office
Focused	Work within role on projects on personal tasks	Small	x	
Oversight	Sharing information and knowledge about work situations and progress	Moderate	x	
Coordinating	Work with others identifying priorities and workflows	Small	x	x
Co-creation	Work conducted in groups aimed at arriving at group answers	Moderate	x	x
Upskilling	Study that helps individuals build knowledge, skills and abilities	Small	x	x
Influencing	Communication that attempts to persuade and influence	High		x
Water-cooler	Accidental engagements 1-2-1 and in small groups with high serendipity	High		x
Coaching	Work with colleagues to help with tacit knowledge, skills and abilities	High		x

Productivity – widening definitions to include creativity, well-being and personal growth

- Introduced TAI’s top tips on how teams could make hybrid work better
- Encouraged employees to access resources linked to mental health and well-being; learning and development modules supporting hybrid working; and mentorship and training programmes
- Reinforced the importance of teamwork and learning and development as part of end of year performance reviews.

Social capital – reinforcing the value of collaboration

- Social capital and the value that it adds through collaboration, belonging, trust and goodwill was seen as a key enabler of value creation
- Encouraged team leaders to use TAI culture measurement and Superteams frameworks to build stronger teams

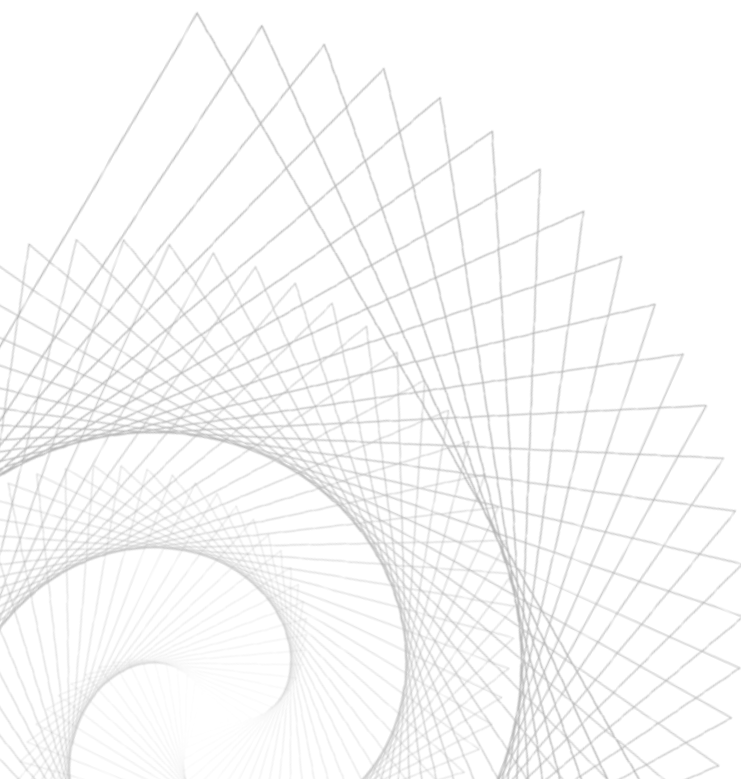
- Coordinated major office days for team get-togethers to improve cross-team collaboration.
- Stronger onboarding processes for new hires focused on building relationships across teams.

In each of these areas clear guidance was critical, with leadership communicating the balance needed between the benefits of increased flexibility and improved attraction/retention efforts, with those hybrid gaps around embedding new joiners and challenges to innovation and creativity. Future plans involve regularly reviewing data and feedback from teams using pulse surveys to ensure hybrid arrangements remain fit for purpose.

Case studies

2. Climate dashboard

TAI's work on climate dashboard reporting took place towards the end of 2020, with [our paper](#) being published in early 2021. One of the principles in the paper was being 'open to evolving the dashboard over time' given that it was clear change would be significant. In this light we are pleased to report that our sponsor, WTW, continues to evolve its climate dashboard and the latest iteration is shown below. We note, in particular, the 'double materiality' presentation – both the impact of the climate on the portfolio, and the impact of the portfolio on the climate.



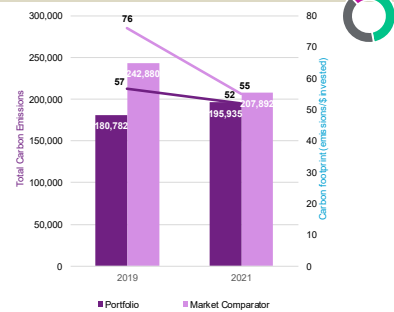
Climate dashboard

Portfolio X

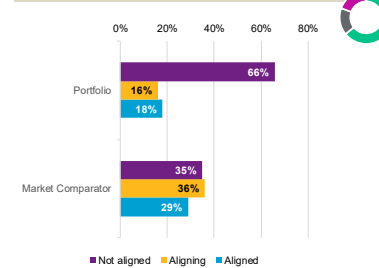


Impact of portfolio on climate change

Carbon footprint

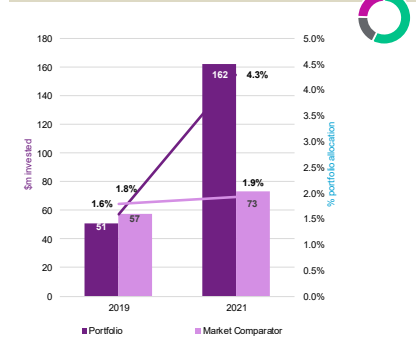


Alignment



Note that Climate Transition Value at Risk (CTVaR) can be used as an alignment metric as well, however we have chosen to show CTVaR as our transition risk metric

Climate Solutions

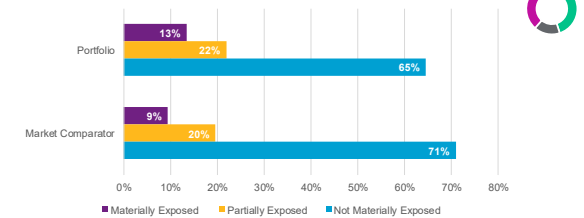


Impact of climate change on portfolio

Transition risks - CTVaR



Physical risks



Portfolio Coverage Key

- Proxied data
- Actual holding
- No data

Notes on the dashboard

Case studies

3. Investing for tomorrow society working group – the ‘S’ of ESG | moving from interest to action

The investing for tomorrow working group in 2022 had two areas of focus: society and environment. Members of the society group looked at two topics, inequality and just transition, before moving on to consider how to shift from interest to action on these issues. Below, Yolanda Blanch, vice-chairperson at Pensions Caixa 30 (PC30) and one of the society group members, describes her experience.

“A lot of concepts we discussed in this working group were almost new to me and it was useful to have the opportunity to define and discuss them as a group. There was a good representation of very different types and sizes of organisations among the working group members, which I liked. PC30 is Spain’s biggest pension fund, but we are a fairly small asset owner with assets under management of €6.5 billion. It was helpful to me to see that other organisations in the industry are challenged by the same issues as us.

On one hand, it created a sense of community and I still keep in touch with some of the group members. On the other hand, it opened my eyes to the fact that inequality, just transition and climate change are all our shared issues and we have to work together to solve them. Group members were encouraged to embrace the complexity of these interlinked big challenges and pushed in a gentle way to look for the answers. There was no sticking to a typical point of view!

Being part of the working group built a new intrinsic motivation in me regarding these issues and created a mindset to make my job even more meaningful.”



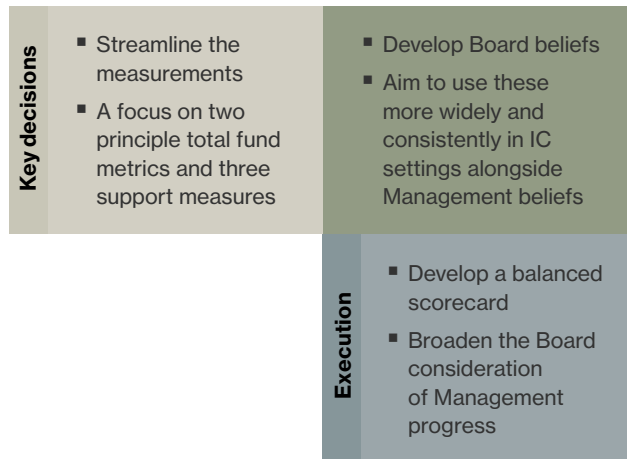
Case studies

4. Measurement case study - OPTrust

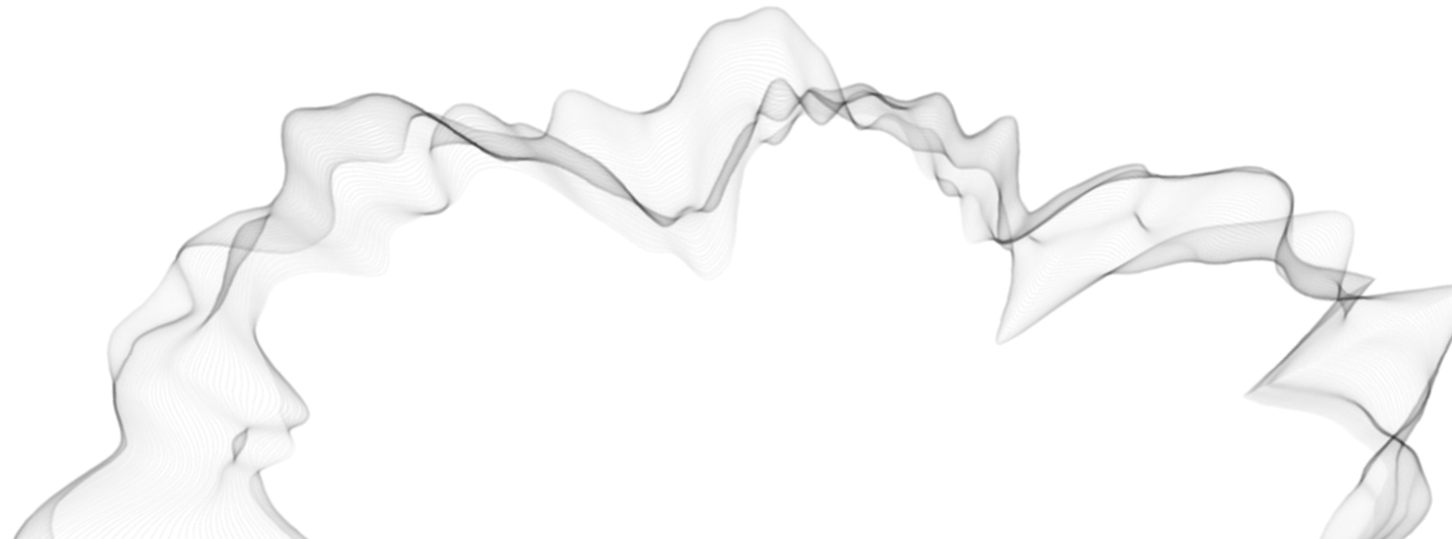
In 2022, we worked with OPTrust to evolve its measurement framework and implementation in supporting the investment model and compensation model where there was a gap between actual and desired state. The overall objectives were to improve pension certainty for its members by minimising the probability of being underfunded over the long term while maintaining: funding status, TPA orientation, and enhancing transparency in measurement.

Our work contributed to building OPTrust's measurement priorities, as part of a beliefs project aimed at deepening its understanding of how to read and interpret these measures. Part of this involved establishing a clear understanding of where in the organisation the focus on each metric should reside, to ensure effective oversight. Also, we worked with the organisation to round out its measurement by introducing additional metrics to ensure a more holistic perspective.

Project outputs and some results



- More long horizon measurement**
Greater emphasis on long horizon measurement
- Use of reference portfolio**
Identification of value add from management
- More total fund emphasis**
Focus most on the aggregate result
- More regard for the soft stuff**
Aiming for high performance in technical excellence and the communication and engagement around the measurement

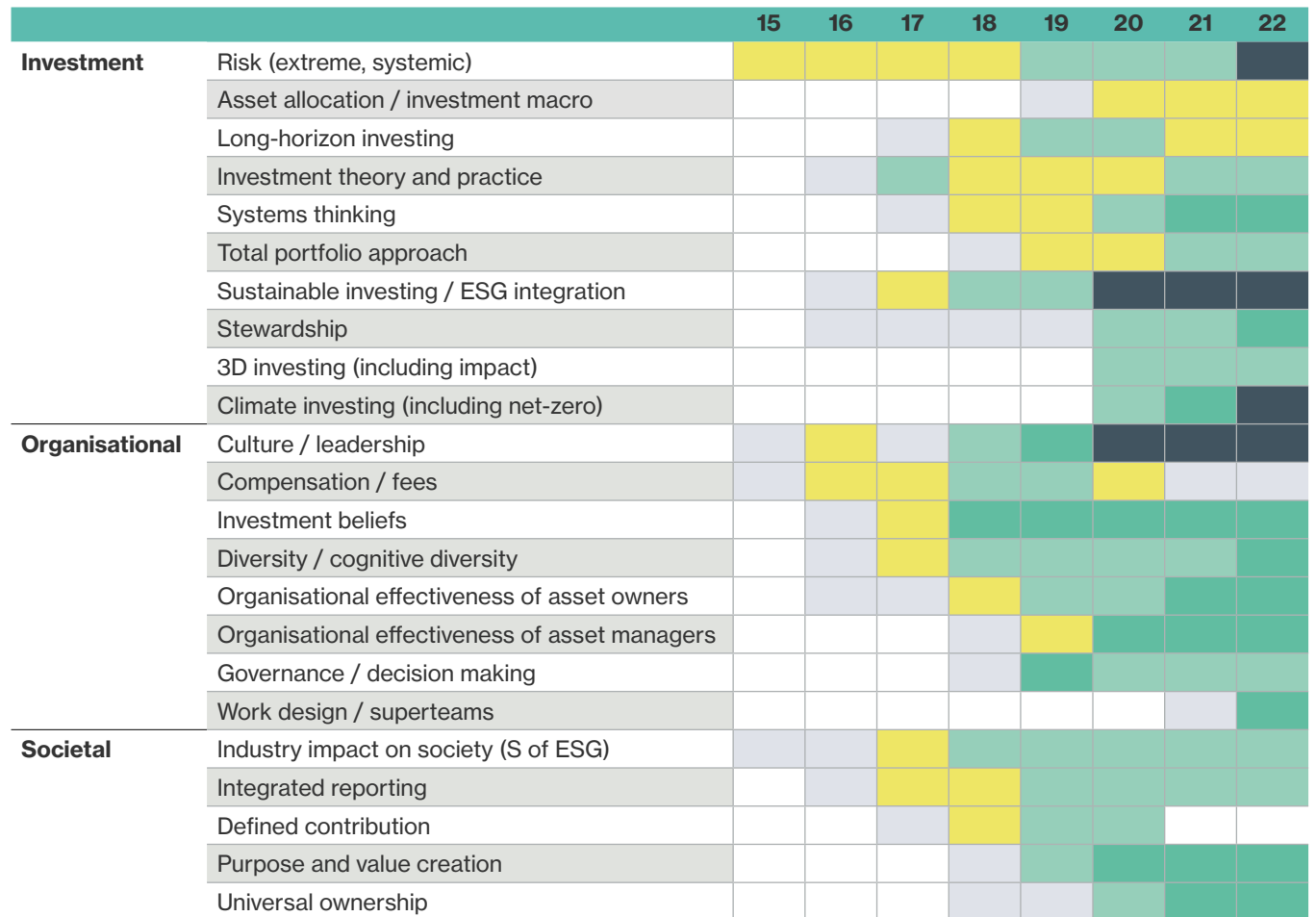


Influence within membership

2022 TAI influence heatmap – self assessment

We use a heatmap to chart the extent to which our research makes an impact within the membership. The degree of impact reflects the subjective views of the Thinking Ahead team and our assessment of members' engagement in these areas.

- This assessment of influence is a 'soft data' measure
- See qualifications to all 'soft data' in the TAI blog [Measurement as part of the solution not part of the problem](#)
- Measures of influence are essentially unobservable but good process can be used to produce a best estimate for the 'true' value
- With full transparency of this measure, it is possible to make an inference of its accuracy and usefulness.



● Not very significant ● Small ● Moderate ● Significant ● Very significant

How the Institute creates value

Creating value for members

We want to help our members better fulfil their commitments to more sustainable outcomes for end savers, wider society and the planet.

Our members are very important to us and we want them to derive value from Institute membership. We collaborate with members to design fit-for-purpose investment strategies; work towards better organisational effectiveness; and strengthen the industry's stakeholder legitimacy. This year our members scored us 7.6/10 when they assessed us on creating member value.

Being a member of the Institute means:

1. Being at the forefront of new investment thinking
 - Our members drive the [research agenda](#) and we work with them to co-create intellectual capital and develop proprietary investment tools and practical solutions.
 - Over the last year we ran two tailored culture assessments with member leadership teams as part of the power of culture study.
 - We published [21 Investment insights](#), setting out our latest thinking. We also co-wrote 13 research papers with members over the year and regularly sent *Memo* – our twice-monthly newsletter – to members.
2. Collaborating with some of the world's leading investment organisations and academics committed to influencing the industry for the good of end savers, wider society and the planet



- Working groups are a fundamentally important mechanism for maintaining and growing our relationships with members. In 2022 we ran four working groups: investing for tomorrow (environment), investing for tomorrow (society), future of work and investment organisation of tomorrow (phase 2). 38 member organisations actively participated in these working groups and 100% of members that provided feedback felt that they came away from the working group with something valuable for them personally and for their organisation.
- We ran 10 events with 47 member organisations in attendance. A further 26 non-member organisations

attended our public events: *Wider perspectives*, *Beyond ESG: system solutions for sustainability*, and *Investment organisation of tomorrow summit*. All of our events were run twice to accommodate our global membership in different time zones.

- We have spent time developing our digital capabilities so that members are able to directly engage with each other and the Institute's research through our website, videos and podcasts. Our new-look website went live in January 2022 and the enhancements include: improved navigation and design; three new content hubs ([People](#), [Change](#), [Planet](#)), quicker page loading and better analytics.

How the Institute creates value



3. Driving positive change to create a sustainable future in a world worth living in

- In partnership with our members, in June we hosted the fourth event in our Wider perspectives series, *Smarter together*, where we discussed the importance of diversity and effective leadership in leveraging change for opportunities building on the theme that none of us is as smart as all of us.
- Our podcast series explores the rapidly changing landscape of investments in the modern world. From the rise of hybrid working to the latest trends in pension funds, the series covers a range of topics that are crucial for investors to understand. It delves into the challenges and opportunities presented by stewardship and engagement, the risks associated with the climate transition, and the highlights of our latest research.

As advocates for change, we believe it is important for our research with members to have a public voice and so the Thinking Ahead team regularly speak at a number of external events and do media interviews and podcasts. The Institute's work has been published in 260 industry magazines, journals and newspapers globally.

Creating value for colleagues

We want to be a great place to work, with the development opportunities to enjoy a high quality and fulfilling career in a supportive and inclusive environment.

- As we navigate our hybrid-work journey, we recognise that there are challenges to overcome. To help our colleagues make the most of hybrid working, we have produced some [top tips](#).

- We recommend setting a clear shared goal for hybrid arrangements, such as a specific ratio of office and work from home days. We suggest that teams check in at the start of each week to determine the best approach to hybrid working, including designated team days and bridge days to work on wider networks.
- It's essential to think about what "good" in the office looks like, including allocating office time to social interactions, building networks, and deepening trust and familiarity. Not all tasks are equal, so we encourage colleagues to consider and act on which tasks are better done at home and which ones are better done in the office.
- We also recommend widening one's thinking on productivity, including creativity, innovation, well-being, and personal growth, which all contribute to good outcomes. Lastly, we suggest that teams keep checking in to monitor progress and co-create the best hybrid solutions.
- By implementing these tips, we believe that we can create a work environment that supports our colleagues' well-being and productivity while also driving value for our clients.
- We recognise that creating value for colleagues is essential in building an effective culture within an organisation. Through our [culture assessment framework](#), we empower investment leaders to measure and improve their culture by creating a common language, cultural fact base, and aspirational target culture. The framework includes a reporting dashboard with metrics across ten dimensions of culture, including client-centric, people-centric, positive leadership, high performance, integrity and respect, innovation, staying power, purpose, diversity and inclusion, and openness.

How the Institute creates value

By strengthening the client-value proposition (CVP) and the employee-value proposition (EVP), we believe that culture creates value for the organisation. The overall effectiveness of a culture is measured by combining the core attributes of culture and edge in culture characteristics with the culture engagement to identify the value being created in practice. Our approach helps organisations promote continued investment in culture, which is essential for avoiding reversion to the mean.

Creating value for wider society

We want to help contribute to the global society that we live in and support our members and our colleagues in doing so.

- Our core purpose is to mobilise capital for a sustainable future and so it is important that we influence not only our members, but the wider industry as a whole. Our members scored us 7.6/10 on how well we influenced the industry (see next section for further details) and our research agenda continues to have a significance focus on contributing to wider society through sustainable investment and through our work on organisational transformation, culture, leadership and diversity in the investment industry.
- Each year we produce a number of publicly available [industry-focused surveys](#): the global pension asset study; the world's largest pension funds and the world's largest asset managers (in collaboration with Pensions & Investments); and the Asset Owner 100 study. These studies remain hugely popular and are the most downloaded content on our website.

- We have a dedicated 'friends of the Institute' newsletter Grapevine to share our research more widely (to over 300 recipients).
- We held a lecture series entitled [Beyond ESG: system solutions for sustainability](#) which was led and presented by Duncan Austin. The series evaluated progress towards sustainability, explored systems thinking as a powerful tool, and reflected on the actions businesses can take to promote sustainable solutions. The four sessions covered ESG and the risk of "greenwash," a systems view of the economy, the trap of externality-denying capitalism, and building a sustainable culture.

Creating value for the planet

We work with our members to understand the real-world impact of their businesses and how they invest on behalf of end savers. As an Institute we believe that how we act is important and we aspire to have a minimal carbon footprint.

- We hope and believe that through our thinking and research we are able to influence our member organisations towards greater positive planetary impact. Over the year we have pushed ourselves harder on the need for addressing climate change and on climate dashboard.
- On addressing climate change, we published an influential research paper, [Pay now or pay later](#), to provide evidence and analysis to support the climate beliefs required to drive increased action on climate. To demonstrate to the industry that we must pay now to address climate risks, or we will be required to pay more later.

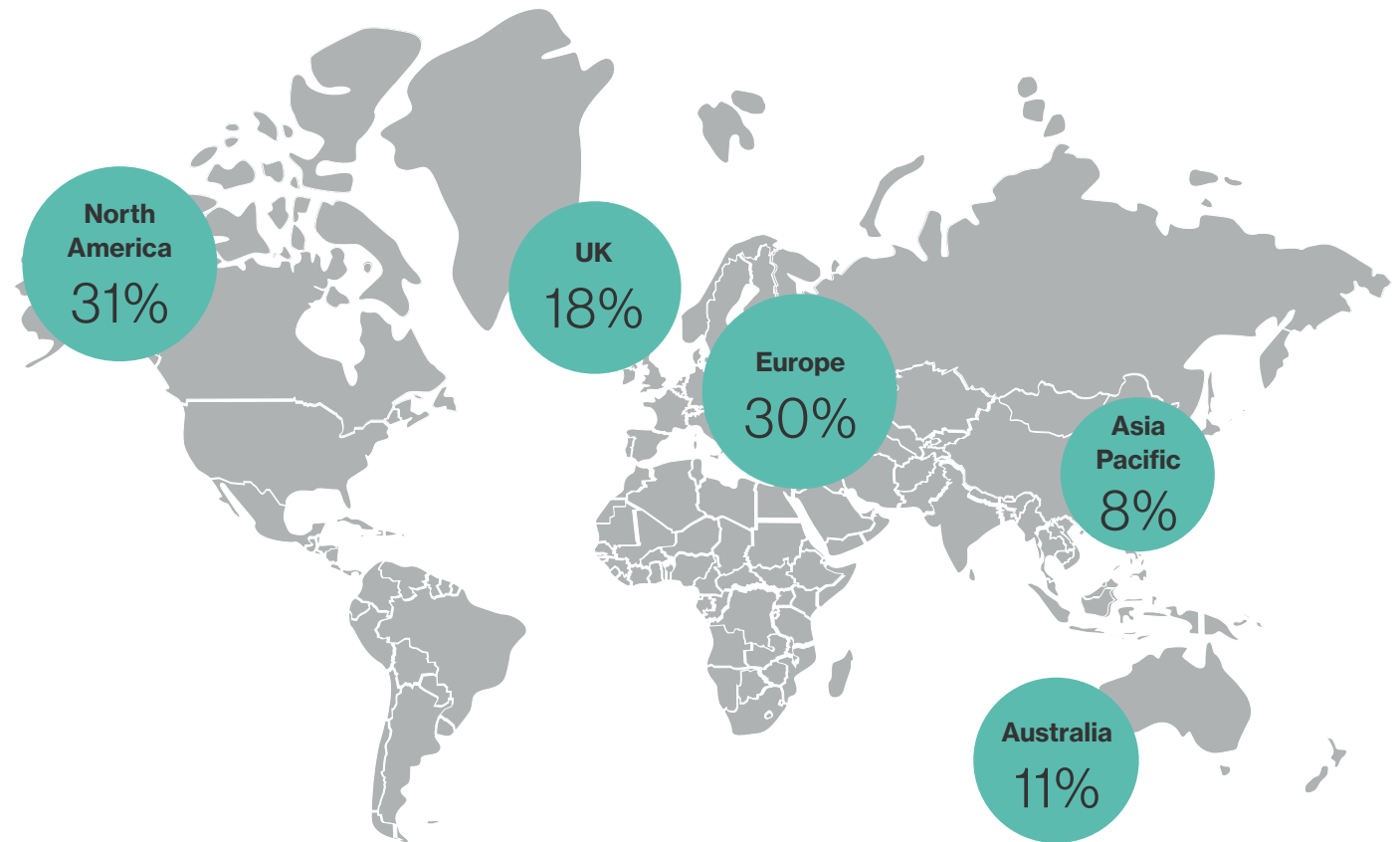
- On climate dashboard, we emphasised in a previous [research paper](#) published in early 2021 that it is crucial to remain open to evolving the dashboard over time and we are proud to report that our sponsor, WTW, has continued to advance its climate dashboard. The latest iteration includes a double materiality presentation, which highlights the impact of the climate on the portfolio and the impact of the portfolio on the climate. For more details see Case Study 2 in this report.
- We genuinely believe that this body of thinking will have an increasingly positive impact on the planet over time, with the main tool converting the thinking into action being 3D mandates which build impact directly into the portfolio's objectives.



Global media coverage

- The Institute's work has been published in 260 industry magazines, journals, and newspapers across 27 countries globally.
- The coverage was particularly strong in North America (United States), which topped the list for media hits, followed by Europe and the UK.
- Our global studies accounted for 78% of the total coverage share with the Global top 300 pension funds taking the top spot, followed by The Global Pension Asset Study.
- We are proud to have our work recognised by a diverse range of media outlets worldwide and will continue to strive towards producing high-quality research that positively impacts the industry.

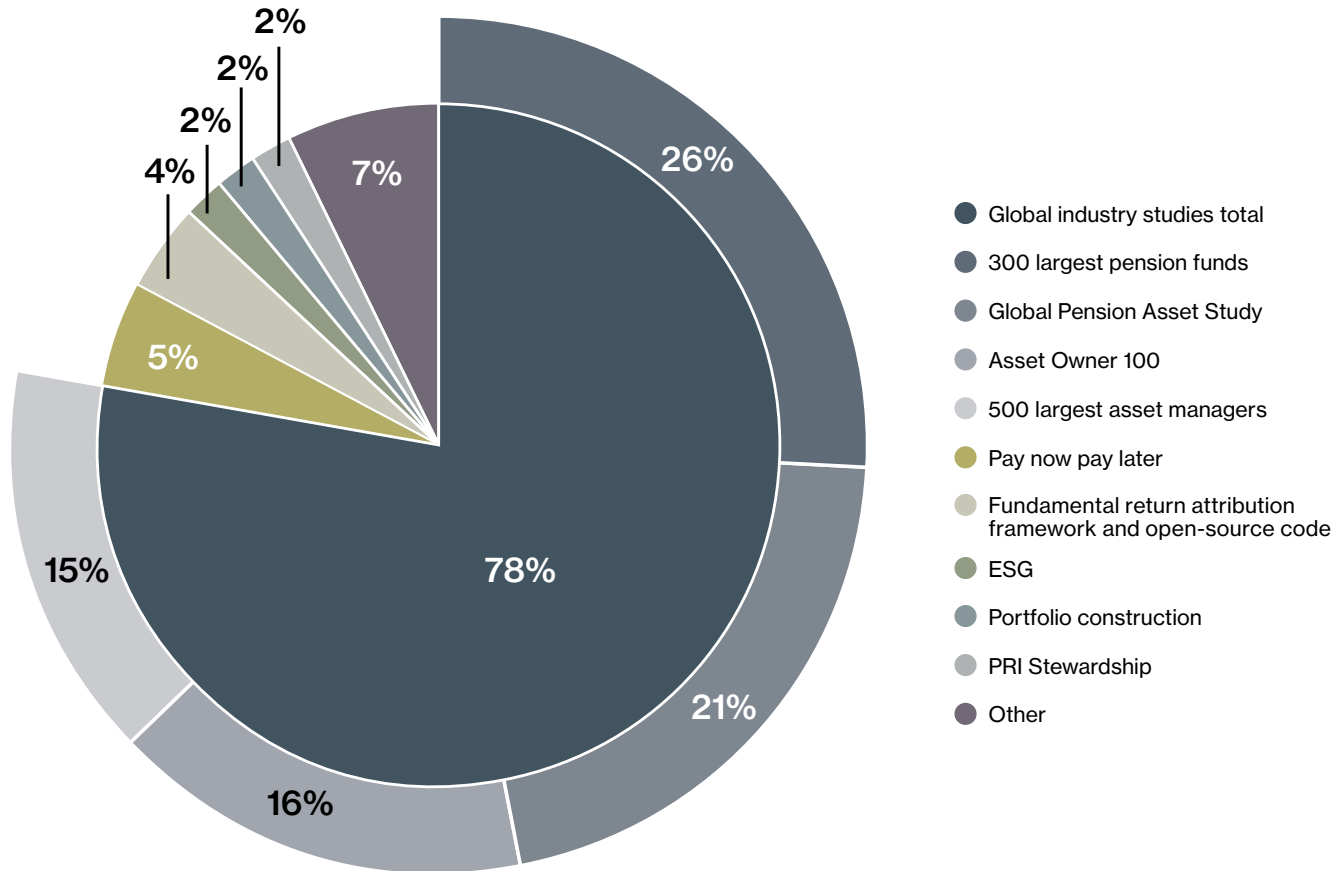
Coverage by region



Data may not add up to 100% because option "Other" not displayed

Global media coverage

Coverage by theme



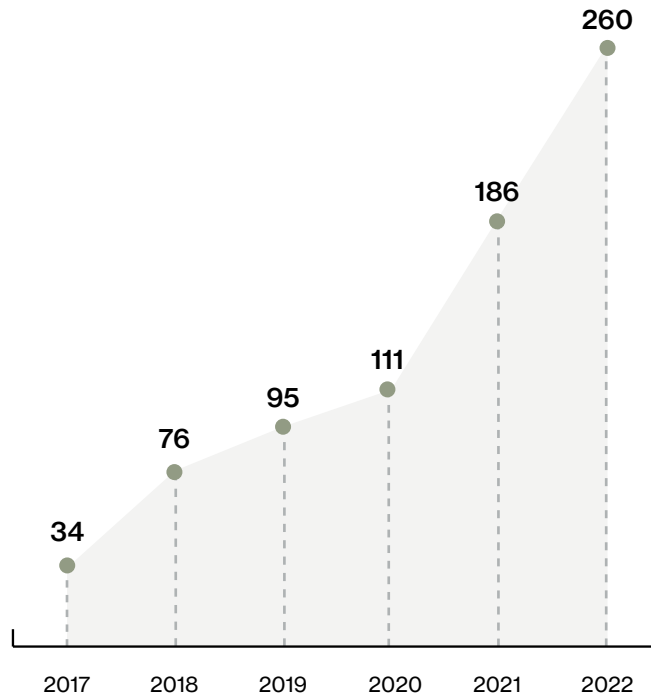
Top 20 titles

01	Pensions & Investments (US/Global)
02	Chief Investment Officer (US)
03	AiCIO (US)
04	PLANSPONSOR (US)
05	Institutional Investor (US)
06	Investment & Pensions Europe (UK)
07	Professional Pensions (UK)
08	Pensions Age (UK)
09	European Pensions (UK)
10	ESG Investor (UK)
11	Top1000funds (Australia)
12	Financial Standard (Australia)
13	InvestorDaily (Australia)
14	El Mundo (Spain)
15	RankiaPro (Spain)
16	Portfolio Institutionell (Germany)
17	Fundspeople (France)
18	Financial Post (Canada)
19	Fondsnieuws.nl (Netherlands)
20	Investiremag.it (Italy)

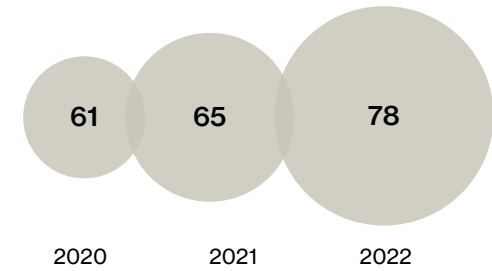
The Institute in numbers

Global media coverage

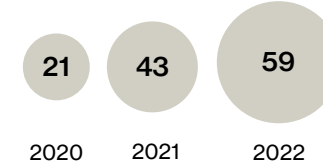
Total global coverage (articles)



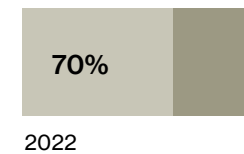
Total UK coverage (articles)



Premium articles (UK)



Specialised institutional-focused media channels



The Institute in numbers

Content

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Published papers

- [A six-step action plan for net-zero](#)
- [An agenda for change](#)
- [Culture – the organisational superpower](#)
- [Fundamental return attribution framework and open-source code](#)
- [Future of work](#)
- [Global Pension Assets Study](#)
- [Investment beliefs to change the climate trajectory](#)
- [Pay now or pay later?](#)
- [Sustainability portfolio construction](#)
- [The Asset Owner 100](#)
- [The power of teams](#)
- [500 largest asset managers](#)
- [300 largest pension funds](#)

Content

21

Investment insights

- [Beyond ESG | systems solutions for sustainability](#)
- [Christmas-time reading](#)
- [Climate change from an investor's perspective – the changes that we need](#)
- [Climate tipping points change everything](#)
- [Consider a beautiful island...](#)
- [Income inequality: a case of tunnel vision?](#)
- [It's a small world after all](#)
- [Net-zero is a moral, as well as technical, problem | a just transition thought experiment](#)
- [Pay now or pay later?](#)
- [Phase down or phase-out | is there a difference?](#)
- [Stronger together](#)
- [Systemic risk and climate tipping points](#)
- [The future of social capital](#)
- [The future of work](#)
- [Thinking Ahead at 20](#)
- [To explore, or not to explore](#)
- [We need more imaginative teams but are we killing innovative ideas too early?](#)
- [We need superteams to change the climate](#)
- [What's in a name?](#)
- [Why should the investment industry care about biodiversity loss?](#)
- [Why we should all be a little more human at work](#)

Content

06

Podcast episodes

- [Global Pensions Asset Study](#)
- [Hybrid working and the transformation of the modern-day organisation](#)
- [Stewardship and engagement may be challenging but it presents significant opportunities for people and planet](#)
- [Latest trends from the world's largest pension funds](#)
- [The climate transition and its risks for investors](#)
- [Looking back at our research highlights for 2022](#)

“

Perhaps have a (short) podcast with updates about topics you consider relevant, and a quarterly post or newsletter with readings (books or posts or papers) that you consider relevant.

”



Content

10

Organised events

- Summer reunion 2022
- Investment organisation of tomorrow summit
- Future of work: Teamwork in a hybrid world
- Wider Perspectives: IV Smarter together
- Beyond ESG: system solutions for sustainability:
 1. Taking stock: ESG and the risk of 'greenwash'
 2. A systems view of the economy: systems thinking can rescue the situation
 3. The unintended trap of externality-denying capitalism
 4. Building the economy of a sustainable culture
 5. Getting to the 'So What?'
- Member Research Briefing 2022

“

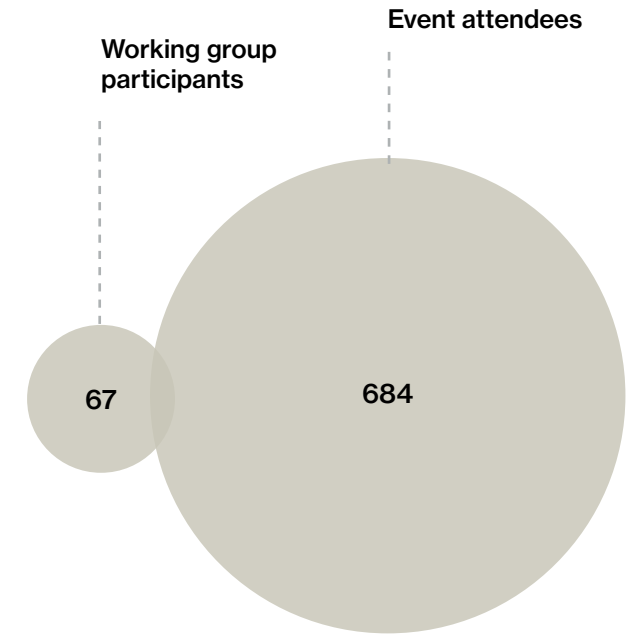
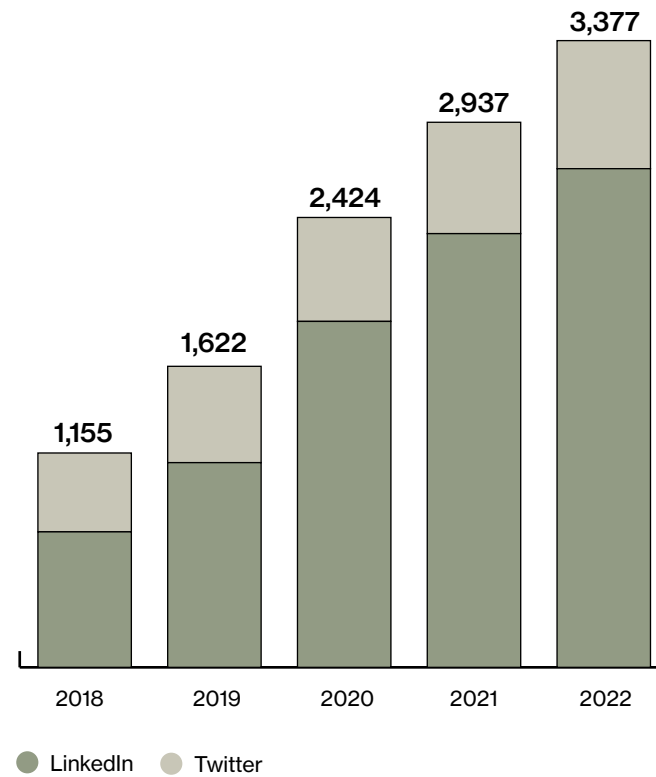
Really enjoyed the [Future of Work] event – very useful and as always perfectly orchestrated – thank you!!
The light show at the end was really endearing!!

”

The Institute in numbers

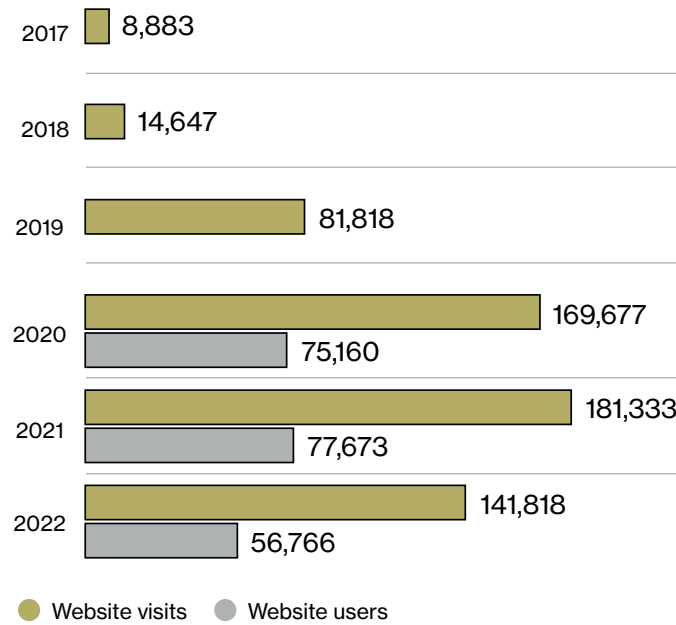
Engagement

Social media followers

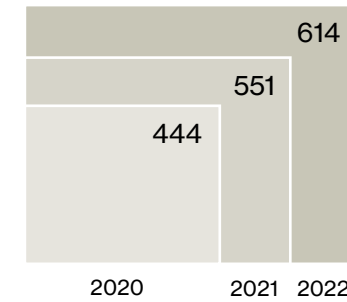


The Institute in numbers

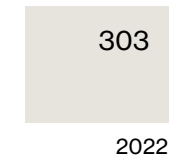
Reach



Receiving memo



Receiving Grapevine newsletter



Press releases



Member assessment

We aim to continually improve and learn from member feedback. This year we asked members to complete a short survey in four parts: two scored responses, and two free-form responses.

1. Influencing the industry

- The Institute research is highly regarded, influential and widely cross-referenced in the investment industry
- The Institute is effective in promoting a better and more sustainable investment industry for the public good through events, trade media and social channels

2. Creating member value

- High-quality research and events, with useable content, are delivered in an engaging way
- The Institute provides a useful forum to members for wider industry engagement
- Members are using or adopting some of the content and innovations developed in the Institute.

- What were any institute highlights for you during the year? See 'What members said' chapter in this report
- Please identify improvements we could make to provide better member value. See 'What members said' chapter in this report.

Scores

	2019	2020	2021	2022
Influencing the industry	7.4	7.4	7.0	7.2
Creating member value	8.0	7.7	7.8	8.0
Overall score	7.7	7.6	7.4	7.6
Individual members	-	27	25	25

Score out of 10

Member involvement

Thank you to the following Institute friends and members for taking part in our key events and working groups this year:

Working groups:



Member involvement

What members said

“ The general conversations within working groups. It's very interesting to see the issues others are facing, especially from the discretionary active community. ”

“ Highlights for me over the last year (2022) have been: the Duncan Austin lectures which I felt were incredibly thought provoking, insightful and relevant. I have also benefitted from networking opportunities opened up as a result of my working group membership. I have been able to discuss shared challenges with industry peers which is always incredibly useful. Finally, I have benefitted from regular discussions within the working groups, which as well as peers, includes WTW staff who are experts in the area of sustainability. ”

“ Exposure to the view points of global peers, being directed to well considered relevant research, being able to offer a different perspective, in a comfortable environment that promotes and values contribution. ”

Highlights

“ The creation of a space to share thoughts and ideas that was kind and non judgemental but also challenging. Many thanks. ”

“ Due to its forward-looking nature, we would expect a time lag between TAI insights and findings and full integration into the investment consultancy firm's research and advice being provided to clients. However, we do expect to see this happen, in a meaningful way, without too long a time lag. WTW plays an important part of the investment ecosystem and through the adoption of as many of the insights and findings of the TAI into WTW's BAU activities, there is a chance that the investment system will evolve for the better. ”

Improvements

“ Could be interesting to hear from members and how they are using the research. ”

“ Now that we are in a post covid world (or at least living in it), additional in-person events. ”

“ Facilitate the creation of strong scaffolding between asset owners and asset managers. In time fold in the other key service providers to a rich/working investment industry, such as the brokers/investment bankers, especially in light of the huge requirement for natural capital. Possibly, a Roundtable to start, examining the roles of various stakeholders... ”

“ I would love to hear more facts and data to support the interesting and thought provoking themes covered. Also, articulation of specific practical examples which can be adopted by companies of all shapes and size. ”

“ Go further in encouraging interaction between members. ”

Other member feedback

“ Our time is always a barrier to us getting the maximum benefit from the institute and - as with everything - the more you put in, the more you get out! In my situation, the best value is obtained when the working groups focus on a topic which is relevant to us, and when there are tangible outcomes, research or practices that can be shared with colleagues. This also raises visibility of the working group internally, which is also good. So more of these things is always good. I mention below that the Duncan Austin lectures were really valuable - and I have wondered a few times if there is an opportunity to follow up on this - his lectures highlighted (very high level) that win-win ESG isn't realistic any more. Is there an action or response to this? ”

“ Last year's group discussion was one of the highest activities of 2022 for me! Kind of learning to look at the world through new eyes! I am eager to repeat it! Thanks for this initiative! ”

Limitations of reliance

Limitations of reliance – Thinking Ahead Group

This document has been written by members of the Thinking Ahead Group. Their role is to identify and develop new investment thinking and opportunities not naturally covered under mainstream research. They seek to encourage new ways of seeing the investment environment in ways that add value to our clients. The contents of individual documents are therefore more likely to be the opinions of the respective authors rather than representing the formal view of the firm.

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About the Thinking Ahead Institute

The Thinking Ahead Institute is a global research and innovation network of the world's major investment organisations and aims to mobilise capital for a more sustainable future. Arising out of WTW's Thinking Ahead Group, formed in 2002 by Tim Hodgson and Roger Urwin, the Institute was established in January 2015 as a global not-for-profit group comprising asset owners and asset managers. Currently it has over 50 members with combined responsibility for over US\$16 trillion.

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Thinking Ahead Institute
An innovation network founded by WTW

Welcome to our 2022
Integrated report

20 years of
Thinking Ahead

Overview of
the Institute

Research

Influence within
membership

How the Institute
creates value

The Institute
in numbers

Member
involvement