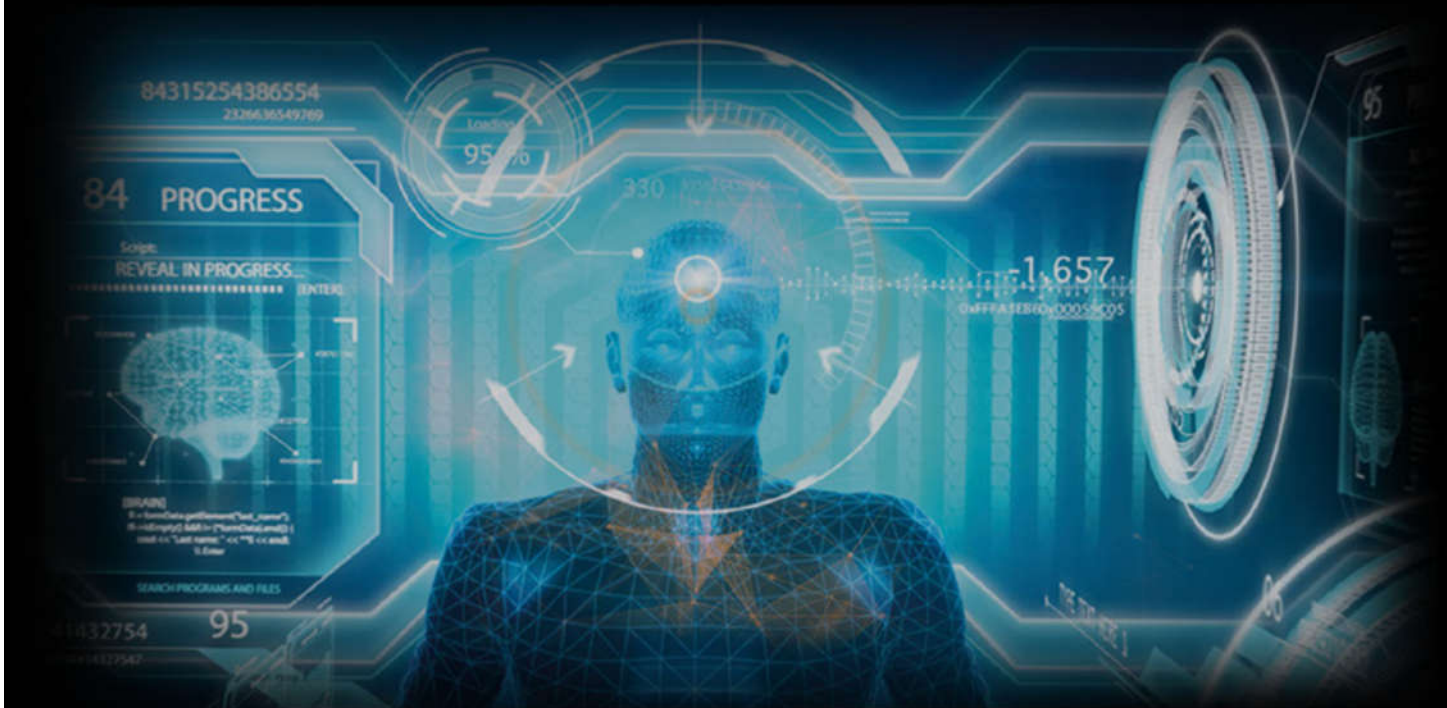


WORKSHOP SCENARIO THINKING



PROGRAM

WHAT IF...

Imagine. An earthquake, caused by gas extraction, destroyed buildings and takes away many lives in Groningen, The Netherlands. The government bans extracting gas. GDP drops more than 5% and rating agencies decide to downgrade Dutch government bonds.

Or imagine. A threatening nuclear war in Asia paralyzes the world economy.

These are unlikely but not unrealistic scenarios. They have a huge impact on the funding ratios of pension funds and therefore have major consequences for pension fund participants. Can we actually think of such abnormal events and their consequences?

That requires imagination.

Thinking about the future in terms of scenarios makes people, financial institutions and society more resilient and robust. Get a grip on the future by imagining the unthinkable and translating that into daily investment practice. We will do that with you in our workshop Scenario thinking.

Prior to the workshop, you will be invited to participate in a brief survey concerning important trends and recent developments in the world.

THERE ARE TWO KINDS OF FORECASTERS:

THOSE WHO DON'T KNOW, AND THOSE

WHO DON'T KNOW THEY DON'T KNOW.

- John Kenneth Galbraith -

WORKSHOP PROGRAM

Start and introduction

30 min.

- The added value of scenario thinking in the investment process of pension funds
- Looking back at historical events and developments
- Practical example of Shell where scenario thinking has been integrated in the business model for decennia

Getting started with scenario thinking (part 1)

30 min.

- Discussing results of completed surveys
- Interactive part: co-defining the key drivers of change within the STEEP categories (Social, Technological, Economic, Environmental, Political)

Pause

15 min.

Getting started with scenario thinking (part 2)

1 hr. 15 min.

- Breakout sessions: working out drivers of change in small groups using the storyboard method
- Combining the drivers of change into a possible state of the world
- Implications of this state of the world on the investment process and investment portfolio

Defining next steps and wrap up

15 min.

TRAINERS



KARIN PASHA

HEAD RISK ANALYSIS & ADVICE CARDANO

Karin provides advise on strategic risk management to pension funds. Before she worked as a quantitative analyst at IMC Asset Management. Karin has an MSc in Physics and in Risk Management for Financial Institutions. She is affiliated with CFA and VBA.



MANON TEN VOORDE

STRATEGIC RISK ADVISOR CARDANO

Manon advises pension funds on strategic risk management and scenario thinking. She worked as risk manager at ING Bank before, in areas like ALM and Trading Risk. Manon has an MSc in Econometrics and CFA.

WORKSHOP

SCENARIO THINKING

Why **scenario thinking**?

The **uncertainty** in the world today seems bigger than ever before. Think of:

- climate change
- break through technological developments
- global migratory flows and local populism
- debt issues and monetary policy
- the consequences of an aging society

In this workshop we identify important **drivers of change** for pension funds. We learn to envision possible developments and their consequences. And we show you how multiple **drivers of change** and their effects can be connected and translated into a future **state of the world**.

Which adjustments should **pension funds make in their portfolios** if one of the states of the world will become reality in the future?

