

# Global Asset Owner Sustainability Peer Study Summary

Thinking Ahead Institute

January 2026

# Executive summary – Global AO Sustainability Peer study



## Purpose and context

The report explores sustainability practices among Mega global asset owners, that are applicable to all Asset Owners types. The focus is on governance, investment models, and organisational design to upgrade sustainability strategies and ultimately improve long-term financial outcomes. It is based on in-depth conversations with C-Suite leaders at large AO's and analysis of survey data.



## Key take-aways

- Shift from ESG compliance to strategic system-level thinking to support sustainability of investment outcomes for savers. Hence the term Sustainable Investing (SI) preferred to ESG.
- Adoption of Total Portfolio Approach (TPA) leads to greater incorporation of climate and sustainability scenarios.
- Investment opportunity set facing long term challenges from systemic risks.
- Stewardship expands to system level and policy engagement.
- Organisational design prioritising efficiency, given limited resources through technology and governance.



## Outlook

- Sustainability is entering a new era.
- Strategic and governance resets will be required.
- Systems-level (3D) investing will develop.
- Increasing politicisation and regionalisation of ESG will continue to shift the investment landscape.



## Future path

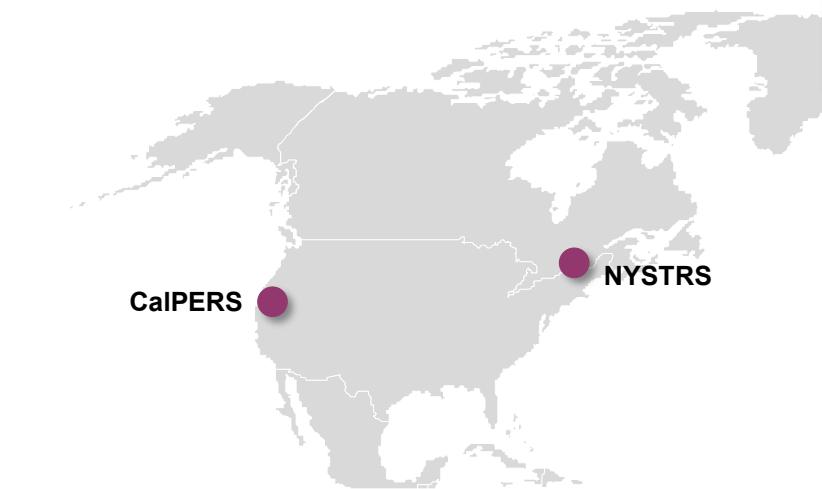
- Align sustainability ambition with external mandates and internal capacity to address the SI issues
- Create greater internal efficiency through hybrid SI teams and strengthened governance.
- Embed sustainability KPIs across the organisation, through TPA-type Balanced Scorecards.
- Invest in technology for more dynamic SI reporting for leadership and investment teams.
- Strengthen systemic stewardship through increasing focus on collaboration

# Study key take-aways

1	<b>New strategic framing</b>	<b>No one size fits all for the strategic priorities but system-level (3D) investing is the single biggest opportunity</b>
2	<b>Strategic shifts underway</b>	<b>Four key shifts identified to do more with less:</b> <i>Hybrid SI org-design</i> <i>Embedded SI KPIs</i> <i>Tech-driven SI reporting</i> <i>Systemic stewardship</i>
3	<b>Investment model adapting</b>	<b>Risk models need re-setting to deal with the increasing impacts of systemic risks – climate, geopolitics, and others</b>
4	<b>Sustainability model regrouping</b> <i>Four dominant themes</i>	<i>Concerns about politicisation &amp; regionalisation, primarily the US</i> <i>3D investing</i> evolving beyond Climate focus to Nature and Human Rights <i>Net zero investing</i> is complex, but it is still seen as necessary and is maturing <i>Risk 2.0</i> not (yet) top-of-mind factors. <i>Resilience &amp; Systemic Risk</i> are though

# The Peer Group for the Sustainability Asset Owner Study

Critical for all Asset Owners to build their peer knowledge



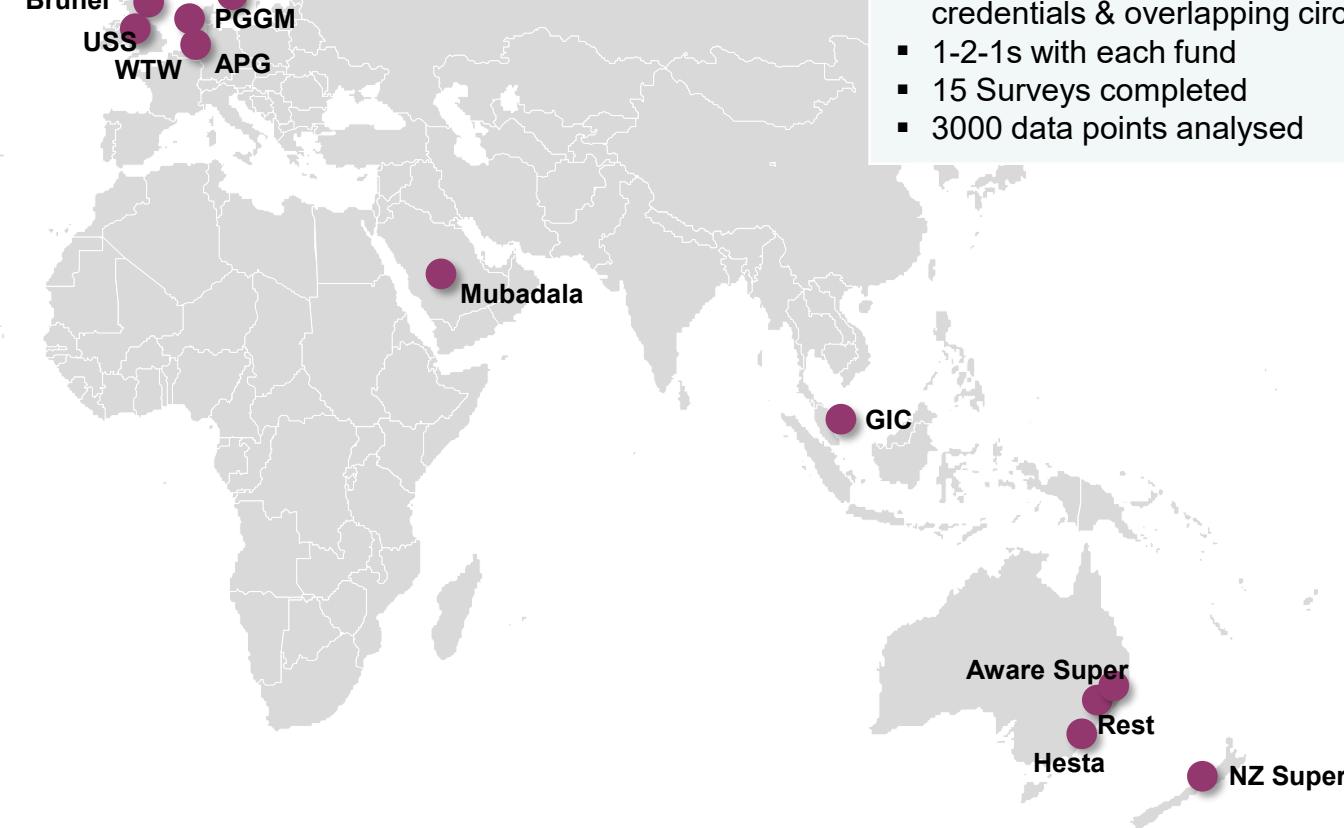
Total AUM (2024) \$4.0tn  
Average AUM (2024) \$270bn

Brunel  
USS  
WTW  
APG  
AP3  
PGGM

Mubadala

## Process

- Peers selected for very strong SI credentials & overlapping circumstances
- 1-2-1s with each fund
- 15 Surveys completed
- 3000 data points analysed



## Peer Study participants in survey and 1-2-1s

New Zealand Super	
AP3	Mubadala
APG	NYS Teachers
Aware Super	PGGM
Brunel Pension	Rest
CalPERS	USS
GIC	WTW
Hesta	

# Sustainability Peer Study overview and summary

- We have been grateful for New Zealand Guardians as partners in producing this study. We much appreciated their support, but note that the work is our full responsibility.
- The 15 funds in the peer group for this study were selected for their strong governance, significant size, and thoughtful international perspectives. We have had C-suite attention from these funds at a time when CEOs, CIOs and Sustainability leads are facing unprecedented pressures on their time. The key discoveries came from long conversations alongside the survey analysis.
- One key lesson from the study is that the majority are shifting their sustainability approaches, but each focus area is different.
- The breakthroughs relate to significant progress linked to step changes which require resources an individual Asset Owner does not possess alone.
- These organisations are enormously important to the futures of people and planet. From great power comes great opportunity.
- We have applied a systems perspective to help the understanding of the ecosystem of asset owners.
- Systems thinking, as an evolution to 3D investing, involves taking account of all relevant moving parts (uncontroversial), examining all the connections (trickier) and the multiple forces affecting organisations in their progress on mission (very tricky).
- The Total Portfolio Approach and system design principles are behind the major themes in the study in this report
  - Every fund has the challenge of producing outcomes affordably, securely, sustainably and systemically in a uniquely balanced way.

- Systemic risk is rising with factors like climate change and geopolitics and the risk model may need to evolve into a Risk 2.0 form based on wider, softer, longer principles
- The sustainable finance narrative is premised on the principle that '*the returns we need can only come from a system that works*' which centres on the systems-level (3D) investment model
- '*The soft stuff is the hard stuff*'. Culture, governance, teams and talent; and technologies; all add up to create organisational differentiation and the org-alpha we define in this work
- Asset owners are recognising the sustainability of capital formation relies on the resilience of their organisation – dynamic decision-making, agile organisational design, better strategy and stronger risk frameworks will all play their part.
- The design of resilience represents a big task for strong AOs in 2026 – partly definitional, partly strategic, partly measurement.
- The Study advanced suggestions on what will be key elements of system level investing. The challenge is managing the internal pace of change in response to external shifting erratic geo-politics to ensure sustainable long-term capital formation. Mega Asset Owners like these in the study are forerunners and 'Middle' Asset Owners would do well to take note.

**Roger Urwin & Monique Mathys-Graaff**

**WTW & Thinking Ahead Institute | December 2026**

# Limitations of reliance and contact details

## **Limitations of reliance – Thinking Ahead Group 2.0**

This document has been written by members of the Thinking Ahead Group 2.0. 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.

## **Limitations of reliance – WTW**

WTW has prepared this material for general information purposes only and it should not be considered a substitute for specific professional advice. In particular, its contents are not intended by WTW to be construed as the provision of investment, legal, accounting, tax or other professional advice or recommendations of any kind, or to form the basis of any decision to do or to refrain from doing anything. As such, this material should not be relied upon for investment or other financial decisions and no such decisions should be taken on the basis of its contents without seeking specific advice.

This material is based on information available to WTW at the date of this material and takes no account of subsequent developments after that date. In preparing this material we have relied upon data supplied to us by third parties. Whilst reasonable care has been taken to gauge the reliability of this data, we provide no guarantee as to the accuracy or completeness of this data and WTW and its affiliates and their respective directors, officers and employees accept no responsibility and will not be liable for any errors or misrepresentations in the data made by any third party.

This material may not be reproduced or distributed to any other party, whether in whole or in part, without WTW's prior written permission, except as may be required by law. In the absence of our express written agreement to the contrary, WTW and its affiliates and their respective directors, officers and employees accept no responsibility and will not be liable for any consequences howsoever arising from any use of or reliance on this material or the opinions we have expressed.

## **Contact Details**

Roger Urwin | [roger.urwin@wtwco.com](mailto:roger.urwin@wtwco.com)

## About the Thinking Ahead Institute

The Thinking Ahead Institute is a global not-for-profit investment research and innovation network dedicated to helping investors navigate the future. Bringing together leading asset owners, asset managers, wealth providers and strategic partners, the Institute drives innovation through collaborative research and practical solutions. Since its founding in 2015, the Institute has convened more than 100 organizations to collaboratively design fit-for-purpose investment strategies, improve organisational effectiveness, and strengthen stakeholder trust. Learn more about how the Thinking Ahead Institute can support your organisation at [thinkingaheadinstitute.org](http://thinkingaheadinstitute.org).

Led by Marisa Hall and Roger Urwin, the Thinking Ahead Institute connects our members from around the investment world to harness the power of collective thought leadership and develop innovative solutions for the investment industry.

## Join the Thinking Ahead Institute

We seek collaboration with like-minded organisations to achieve our vision, so for more information about us please contact:

Marisa Hall  
[Marisa.Hall@wtwco.com](mailto:Marisa.Hall@wtwco.com)

Towers Watson Limited (trading as Willis Towers Watson) of Watson House, London Road, Reigate, Surrey, RH2 9PQ is authorised and regulated by the Financial Conduct Authority.