



ONE PLANET SOVEREIGN WEALTH FUNDS 4TH ANNUAL CEO SUMMIT JOINT COMMUNIQUÉ

Leaders from sovereign wealth funds, asset managers and private investment firms met with President Emmanuel Macron and U.S. Special Presidential Envoy for Climate John Kerry to review the latest trends behind the surge in climate-related investments and strategies, converge around standards to close market gaps, and underscore the role of investments in renewables in both developed and emerging markets in supporting companies reach the goals of the Paris Agreement.

Monday 4th October 2021, the Élysée Palace, Paris - One month before the 26th UNFCCC Conference of the Parties (COP26) in Glasgow, President Emmanuel Macron met with CEOs of the One Planet Sovereign Wealth Funds (OPSWF) initiative, to discuss the state-of-play of the financial community's contribution to achieving the goals of the Paris Agreement. The escalating climate emergency calls for increased cooperation across the financial system to achieve these ends.

The OPSWF initiative was launched at the One Planet Summit in December 2017 to accelerate the integration of climate change analysis into the management of large, long-term, and diversified asset pools. The goals of Sovereign Wealth Funds (SWFs) of long-term growth and the protection of intergenerational wealth coincide with the Paris Agreement objective, namely the protection of the planet for future generations.

From 6 founding sovereign wealth funds, the Network has since grown to **43 members, comprising 18 sovereign wealth funds, 17 asset managers, and 8 private investment firms, with over USD 36 trillion in assets under management and ownership.** At the Summit, 10 new members from multiple regions joined the Network, and committed to collaborate actively to implement the principles of the OPSWF Framework, published at the Elysée Palace in 2018.

The Network members presented a selection of over a hundred climate-related investment actions, with data points, chronicled in the 2021 OPSWF Framework Companion Document. Over the past 12 months, members have stepped-up their engagement and accelerated investments with a demonstrated positive impact on reducing carbon emissions. This has happened in every region, and across many sectors, and at an accelerated pace. Members launched several dedicated climate-related funds and strategies, and strengthened their overall climate policy. Furthermore, they engaged with investee companies to create change on the

ground, as illustrated by examples of successful projects, including carbon footprinting and scaling investments in renewable energy solutions. As part of their commitment to implement the principles of the OPSWF Framework, members have shared their expertise through peer exchanges in order to build internal capacity no matter where they are in their respective journeys.

As universal asset owners, the portfolio of sovereign wealth funds often comprise a diversity of asset classes and thousands of companies. Evidence from the 2021 OPSWF Framework Companion Document suggests that SWFs are drawing on two main levers to support the transition through the investment chain :

1. Engagement with companies and asset managers across sectors on their climate-related plans.

On engagement, increased efforts are needed to ensure every investment decision takes account of climate and environment-related risks at the company level. To that end, **OPSWF Network members agree to further support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as a universal standard, and bridge the gap in improving the quality of climate and environment-related financial information available to actors across the financial system.** This will help to reduce risk for individual investments and portfolios, but also help to reduce systemic risks facing the financial system as a whole. **Today, we are pleased to report that One Planet Private Equity Funds members have announced their support of the TCFD.** The involvement of private investment firms is key to increasing climate disclosures in the private markets.

2. Investing in the solutions that are arising from the global efforts to address climate change, with a focus on renewable energy.

Companies cannot comprehensively transition and reduce their carbon footprint without access to reliable and affordable renewable energy in the local markets in which they operate. Companies in emerging markets face such access challenges and this is a contributing factor as to why emerging markets and developing economies account for more than two-thirds of current global CO₂ emissions, according to the International Energy Agency (IEA); developed markets have, historically, largely accounted for past emissions. OPSWF Network members demonstrate a global scope in renewable energy investments in emerging markets working across regions, both at small and

large-scale. At the Summit, participants discussed two areas for continued focus in the renewable energy sector: identifying investment enablers for private sector financing of the renewable energy transition of emerging markets and scaling green hydrogen globally.

Members have committed to continue the collaborative work and generate practical applications of the OPSWF Framework that have a material contribution to the transition of the global economy in order to achieve the goals of the Paris Agreement. They agreed to reconvene for the 5th Annual OPSWF CEO Summit that will take place in Abu Dhabi in 2022 to review progress and maintain momentum.

Quotes

“One Planet Sovereign Wealth Funds, Asset Managers and Private Equity Funds are converging around the opportunity to be at the forefront of the transition to a world economy aligned with the Paris Agreement. We are witnessing a critical mass of investors decarbonizing portfolios upstream, and companies that are decarbonizing their operations downstream the investment chain. We encourage private sector actors to step up the pace and put in place credible transition plans, otherwise they will get left behind. We need to shift the economy to Net Zero by 2050, as we have pledged in the E.U. But our ambition needs to go beyond: our only hope for assuring the earth does not warm beyond 1.5 degrees depends on rapidly innovating pathways for companies to become (1) *carbon negative*, sucking carbon out of the atmosphere and (2) *biodiversity positive*, rebuilding nature’s ecosystems to rebalance the carbon equation, reconstitute the earth’s immune systems, and protect generations to come. We welcome U.S. Presidential Envoy for Climate, John Kerry, and Finance Advisor to the UK Prime Minister for COP 26, Mark Carney who join us today to work together and forge concrete solutions and fast”.

Emmanuel Macron, President of the Republic of France

“Financing clean energy transitions in emerging economies is essential for keeping a 1.5 degrees C limit on temperature rise within reach. The One Planet Sovereign Wealth Funds initiative, under President Macron’s leadership and building on the experience of sovereign wealth funds, asset managers, and private equity funds around the world, has the potential to catalyze climate action and shift trillions of dollars toward sustainable, climate-smart investments.”

John Kerry, U.S. Special Presidential Envoy for Climate

“We welcome President Macron’s leadership and are encouraged that One Planet Sovereign Wealth Funds, Asset Managers and today Private Equity Funds, are collectively supporting the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. These groups will play an important role in systematically embedding climate-related disclosure in the companies in which they invest. This will help reveal the investment risks and opportunities in the transition and ensure that every financial decision takes climate change into account.”

Mark Carney, Finance Advisor to the UK Prime Minister for COP 26 and UN Special Envoy for Climate Action Finance

Documents and Announcements

1. Evidence of concrete actions of members to align with the OPSWF Framework and the goals of the Paris Agreement: [OPSWF Framework Companion Document 2021](#)

Expansion of the OPSWF Network

2. Four new sovereign wealth funds join the OPSWF initiative and endorse the OPSWF Framework: [OPSWF Announcement](#)
3. Three new global asset managers join the One Planet Asset Managers (OPAM) initiative to accompany sovereign wealth funds in their journey: [OPAM Announcement](#)
4. Three new global private investment firms join the One Planet Private Equity Funds (OPPEF) initiative to accompany sovereign wealth funds in their journey: [OPPEF Announcement](#)

Progress on climate-related financial disclosures

5. One Planet Private Equity Funds support of disclosures and TCFD: [OPPEF Statement](#)

Background on the One Planet Sovereign Wealth Funds initiative

The One Planet Sovereign Wealth Funds (OPSWF) initiative was established at the inaugural One Planet Summit in December 2017 in Paris.

The objectives are:

- Help mobilize the capital of sovereign wealth funds, to innovate and expand the market for investment opportunities that advance alignment with the Paris climate goals (COP 21).
- Accelerate efforts to integrate financial risks and opportunities related to climate change in the management of large, long-term asset pools.
- Leverage the scale and benefits of knowledge-sharing, while preserving flexibility and agility.

On the 6th of July 2018, the OPSWF founding members published a voluntary framework ('the Framework') outlining principles for SWFs to systematically integrate climate change into their decision-making and how they can collectively support ambitious global climate action.

This Framework includes 12 recommendations based around three guiding principles:

Principle 1: Alignment

Build climate change considerations, which are aligned with the SWFs' investment horizons, into decision-making.

Principle 2: Ownership

Encourage companies to address material climate change issues in their governance, business strategy and planning, risk management and public reporting to promote value creation.

Principle 3: Integration

Integrate the consideration of climate change-related risks and opportunities into investment management to improve the resilience of long-term investment portfolios.

The One Planet Asset Managers (OPAM), the One Planet Private Equity Funds (OPPEF) initiatives and the One Planet Research Forum have also been established to accelerate efforts in supporting the implementation of the Framework, and to support the transition towards more sustainable financial markets.

OPSWF Network Members

One Planet Sovereign Wealth Funds

Steering group members

Abu Dhabi Investment Authority (ADIA), Abu Dhabi, United Arab Emirates
Kuwait Investment Authority (KIA), Kuwait
New Zealand Superannuation Fund (NZSF), New Zealand
Public Investment Fund (PIF), Kingdom of Saudi Arabia
Qatar Investment Authority (QIA), Qatar

Members who joined in 2020

Bpifrance, France
CDP Equity, Italy
Compañía Española de Financiación del Desarrollo (COFIDES), S.A., S.M.E, Spain
Fonds Souverain d'Investissements Stratégiques (FONSIS), Senegal
Ireland Strategic Investment Fund (ISIF), Ireland
Korea Investment Corporation (KIC), Republic of Korea
Mubadala Investment Company, Abu Dhabi, United Arab Emirates
National Investment and Infrastructure Fund (NIIF), India
National Investment Corporation of the National Bank of Kazakhstan (NIC NBK),
Kazakhstan

New members who joined in 2021

Fonds Gabonais d'Investissements Stratégiques (FGIS), Gabon
Hellenic Corporation of Assets and Participations (HCAP), Greece
Nigeria Sovereign Investment Authority (NSIA), Nigeria
The Sovereign Fund of Egypt (TSFE), Egypt

One Planet Asset Managers

Founding members

Amundi Asset Management
BlackRock
BNP Paribas Asset Management
Goldman Sachs Asset Management
HSBC Asset Management
Natixis Investment Managers
Northern Trust Asset Management
State Street Global Advisors

Members who joined in 2020

AXA Investment Managers
Invesco
Legal & General Investment Management
Morgan Stanley Investment Management
PIMCO
UBS Asset Management

New members who joined in 2021

Allianz Global Investors
Federated Hermes (International)
Fidelity International

One Planet Private Equity Funds

Founding members

Ardian
The Carlyle Group
Global Infrastructure Partners
Macquarie Asset Management (MAM)
SoftBank Investment Advisers

New members who joined in 2021

Eurazeo
Tikehau Capital
TPG