

STATEMENT HARMONISING CLIMATE DATA FOR PRIVATE MARKETS WORKSTREAM

OPSWF NETWORK CLIMATE DISCLOSURE GUIDANCE FOR PRIVATE MARKETS

Thursday, October 6th, 2022, Abu Dhabi, United Arab Emirates – the One Planet Sovereign Wealth Funds Network, in consultation with the One Planet Asset Managers and One Planet Private Equity Funds, comprised of 46 CEO members representing the world’s leading sovereign wealth funds, asset managers and private investment firms releases the “One Planet Climate Disclosure Guidance for Private Markets”.

As the effects of climate change continue to become increasingly apparent, we unite to reaffirm our endorsement of the One Planet Sovereign Wealth Fund Framework and our collective support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

We believe that by having both size and long-term investment horizons, sovereign wealth funds are in a unique position to promote long-term value creation and sustainable market outcomes.

A fundamental barrier exists in measuring, managing, and mitigating our portfolios’ climate impact due to the struggle to access reliable data, most evident in private markets, on which to base our strategies.

As part of our aim to bridge the gap in improving the quality of climate and environment-related financial information available not only to ourselves but across the financial system, OPSWF, in consultation with OPPEF and OPAM, has developed the One Planet Climate Disclosure Guidance for Private Markets (Disclosure Guidance), which was released in an executive brief today.

The Disclosure Guidance provides clear and actionable articulation of increasing levels of climate data disclosure from private market participants. Its purpose is to offer guidance on disclosures to help implement TCFD recommendations. Level One of the Disclosure Guidance has been specifically designed as a first step that is achievable by all direct private market asset managers today.

Accordingly, in alignment with our objective to offer guidance on disclosures and to use engagement to drive progress on TCFD implementation, we strongly encourage private markets asset managers to meet the expectations of Level One of the Disclosure Guidance, including estimating carbon footprint, by year end 2023.

With more accurate and standardised data on climate issues, global financial markets participants can make more informed decisions. This will help not only to reduce risk for individual investments and portfolios, but also reduce systemic risks facing the financial system.