

STATEMENT CLEAN HYDROGEN WORKSTREAM

ENABLING MASSIVE INVESTMENT IN CLEAN HYDROGEN TO DELIVER ON GLOBAL CLIMATE GOALS

Thursday, October 6th, 2022, Abu Dhabi, United Arab Emirates – One Planet Sovereign Wealth Funds’ and its companion asset manager and private equity fund initiative members’ (Network) 46 CEO members representing the world’s leading sovereign wealth funds, asset managers and private investment firms signal their readiness to step-up global efforts to finance and accelerate the mass scale-up of clean hydrogen solutions both in terms of new investments and transition assets.

Clean hydrogen, produced with no or low-carbon footprint, is a key lever to achieving the goals of the Paris Agreement. In line with the One Planet Sovereign Wealth Funds (OPSWF) Framework, investing in clean hydrogen can help solve the energy trilemma of sustainable, secure, and affordable energy and help decarbonize global economies, contributing especially to the hard-to-abate industries. Hydrogen also fosters new and innovative sectors and technologies, driving growth and providing socio-economic benefits.

Alongside industry and governments, many investors have demonstrated an early interest in financing clean hydrogen projects and solutions across the value chain globally. Investment in clean hydrogen can be significantly accelerated over the coming five years, provided the appropriate enablers are in place.

In an executive briefing released today, Network members highlight three such priority enablers: (1) demand-side stimuli such as incentives and other measures to spur demand or public-private partnerships, (2) measures to facilitate international trade in clean hydrogen and (3) in its nascency and where such pricing policies exist, public institutions and development banks to establish sectoral contracts-for-difference in clean hydrogen and its derivatives, to stimulate demand, offset price differentials and make projects bankable. In addition, establishing a global industry standard on the definition of clean hydrogen to qualify hydrogen as a commodity and specific asset class will be critical to accelerating investment by overcoming regional differences.

Members of OPSWF collectively have the capital and ambition to invest at scale into clean hydrogen solutions. Successfully addressing the priority enablers would open up further investment opportunities to OPSWF members.

In this context, Network members anticipate that sharing their insights and recommendations will help



transform clean hydrogen into a viable asset class, in the same way this was done with renewable energy sources such as wind or solar. OPSWF will therefore continue their contributions to the scaling of clean hydrogen efforts and the group's members stand ready to further strengthen their dialogue with key stakeholders including at the upcoming COP27 in Egypt and COP28 in the United Arab Emirates.