



Green Horizon Summit

The Pivotal Role of Finance

HRH The Prince of Wales Keynote Speech

Ladies and gentlemen, I am delighted to have been invited by the Lord Mayor of London to speak to you today at this Green Horizons Summit about my sustainable markets initiative. The current pandemic has brought unimaginable devastation to people's lives, livelihoods, and national economies. At the same time, the green recovery represents an unprecedented opportunity to rethink and reset the ways in which we live and do business. Now I have long believed that we need a shift in our economic model that places nature and the world's transition to net zero at the heart of how we operate prioritising the pursuit of sustainable, inclusive growth in the decades to come.

Having been championing climate action over the last, I suppose, 40 years, I can tell you that this isn't a fight for the faint hearted. However, increasingly, we are seeing more and more businesses, investors and consumers, prioritising sustainability and thus creating a much more virtuous circle of supply and demand. By leveraging market forces and the immense resources of the private sector, there is hope that we can transform the situation. But I'm afraid we are literally at the last hour and there is real urgency for action. We know now what we have to do to rescue the situation, rather than going on talking about it. In September, to mark Climate Week, I called for a new Marshall-like plan for people, planet and nature. I look forward to detailing and mobilising action for this plan in the weeks and months ahead. Today, as we focus on financing and investment to drive the green recovery. I would like if I may to highlight ten actions that could make a tremendous difference.

First of all, we must proactively mobilise investment in sustainable infrastructure, with a focus on carving out a global asset class for sustainable project financing to unlock capital currently invested elsewhere.

Second, we must work to establish functioning global markets for natural capital and carbon offsets, enabling rewards for negative emissions by developing new market frameworks.

Third, we must promote the scale up of emerging technologies that support sustainability and provide them with the advisory support they need to access capital markets more quickly.

Fourth, we must rigorously work towards the provision of reliable data, and actively advance the adoption of common metrics and standards, as for example in the IBC scorecard, in order to allow more informed assessments of sustainability compliance and opportunities for improvement, in particular with regard to alignment with the Paris Agreement. It is time now to move to unified metrics and global standards to encourage accelerated progress through uniform benchmarking.

Fifth, we must provide development finance capital to promote research and development and innovative sustainable solutions, while leveraging financial innovations to accommodate small to medium enterprises, which typically find it difficult to access significant pools of capital.

Sixth, we must build nature based solutions and carbon capture use and storage into companies' asset base and supply chains. We need to advise clients how this can offer significant economic growth opportunities in areas such as the circular bioeconomy, ecotourism and green public infrastructure. The only way, ladies and gentlemen, to reduce emissions at the scale required short of a ban on fossil fuels is to accelerate the development, implementation

and scaling up of carbon capture use and storage. Both nature based and engineered to buy us precious time while allowing us rapidly to draw down carbon emissions, as we transition towards a net zero global economy.

Seventh, we must start accounting for natural capital on companies' balance sheets. Without this, firms simply cannot tell the true value of that asset base, nor how damaging their operations may be on the natural world. So we must put nature and sustainability at the centre of companies' business models, their analysis decisions and actions, and ask them to report on it.

Eighth, we must be bold enough to reimagine industries through the lens of sustainable markets to create more resilient and sustainable products, services and supply chains, while in parallel, helping the transition efforts.

Ninth we must make the sustainable options the trusted and attainable options for consumers. With consumers controlling an estimated 60% of global GDP, people around the world have the power to drive the transformation to sustainable markets. We must better communicate with consumers about the sustainability of the goods services and investments we offer.

Tenth, and finally, we must end perverse subsidies and improve incentives for sustainable alternatives. It must be a real priority to level the playing field and to think about how we properly deploy incentives policies and regulation in a way that catalyses sustainable markets and comprehensively considers long term economic sustainability. Ladies and gentlemen, achieving a sustainable future is the growth story of our time and can in fact fuel post pandemic recovery in a way that benefits people's lives and livelihoods, and nature's own economy and pays dividends for decades to come.

But, but the window for action is rapidly closing. With the urgency required. I hope, ladies and gentleman you will join me to drive a new Marshall-like plan

for nature, people and planet led by the private sector to align our collective efforts and resources for the highest possible impact. Our children and grandchildren deserve nothing less.