



Sustainable Markets Initiative

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Sustainable Markets Initiative's Asset Manager and Asset Owner Task Force Builds Momentum for Industry Leading Transition Categorisation Framework To Mobilize Investment Capital

The Sustainable Markets Initiative's Asset Manager and Asset Owner Task Force demonstrate the necessity of investing in the transition to achieve net zero

London, England: The Sustainable Markets Initiative (SMI) announced today that its [Asset Manager and Asset Owner \(AMAO\) Task Force](#) has introduced its new Transition Categorisation Framework, which complements industry ambitions to achieve net zero. The AMAO Task Force consists of 34 AMAOs from across the globe and are all members of SMI. The intention of the framework is to categorise assets that fulfil the objectives for a pathway to a net zero transition, at both a company and a project level and ensure that investors are not simply disinvesting from the more difficult sectors especially in emerging economies.

"Through the Sustainable Markets Initiative, our Task Force is working to find scalable ways for institutional investors to facilitate the reallocation of capital toward sustainable solutions, using capital already invested in companies and new capital investments directed at climate mitigation and adaptation projects," **said Hendrik du Toit, Founder and Chief Executive Officer, Ninety One, and Sustainable Markets Initiative and AMAO Task Force member.** "We must accelerate the path to net zero through investment in climate resilience solutions, innovation, clean technologies and by mobilising capital to finance more sustainable investment into the transition. This includes ensuring more transparency and guidance."

Climate change is one of the biggest global societal challenges we face today. Charting a path to net zero will take the private and public sector working together to achieve scale and make critical impact across sectors. Impact investments with a purpose and investing in constructive capital are important steps forward.

The transition categorisation framework identifies five categories of transition assets, four of which qualify as Paris-climate agreement aligned. The categorisation enables investment into sectors and regions vital to the net zero transition. The SMI AMAO Task Force is working with climate specialist organisations to support the appropriate metrics, thresholds and timelines required by a company or project to qualify for each transition category. The SMI's [Energy Transition Task Force](#) recently developed a transition rating methodology which complements this categorization and could help determine assets that would qualify for one or more of the categories.

The SMI AMAO Task Force's aim is for investors to align and adopt the categorisation as an enhancement to existing net zero strategies. Doing so would help guide effective and



Sustainable Markets Initiative

meaningful transition investment through general portfolios or specific vehicles that fund pathways to net zero in critical sectors.

Read more about the Framework: [Sustainable Markets Initiative Asset Manager and Asset Owner Transition Categorisation Framework](#)

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About the Sustainable Markets Initiative, Terra Carta and the SMI AMAO Task Force **Sustainable Markets Initiative**

In his former role as The Prince of Wales, His Majesty King Charles III launched the Sustainable Markets Initiative (SMI) at Davos in January 2020. The SMI is a network of global CEOs across industries working together to build prosperous and sustainable economies that generate long-term value through the balanced integration of natural, social, human, and financial capital. These global CEOs see themselves as the 'Coalition of the Willing' helping to lead their industries onto a more ambitious, accelerated, and sustainable trajectory. Read more: <https://www.sustainable-markets.org> and <https://www.re-tv.org>.

Terra Carta

In his former role as The Prince of Wales, His Majesty King Charles III, launched the Terra Carta at the One Planet Summit in January 2021. The Terra Carta serves as the mandate for the SMI and provides a practical roadmap for acceleration towards an ambitious and sustainable future; one that will harness the power of Nature combined with the transformative power, innovation, and resources of the private sector. Currently there are over 500 CEO-level supporters, including the Commonwealth and C40 cities. The Terra Carta has served as the inspiration for the Terra Carta Design Lab. The Terra Carta is a roadmap for public, private, and philanthropic collaboration and open to all countries, cities, companies, organizations, and schools who wish to support it. Read more: <https://www.sustainable-markets.org/terra-carta>.

SMI Asset Manager and Asset Owner Task Force

Several of the world's largest Asset Managers and Asset Owners have come together as members of the [Sustainable Markets Initiative's \(SMI\) Asset Manager and Asset Owner Task Force \(AMAO\)](#) to work on meaningful and actionable plans to help accelerate the world's



Sustainable Markets Initiative

transition to a sustainable future. The Task Force was launched in at the invitation of His Majesty King Charles when in role as The Prince of Wales.

The Task Force is aimed at finding scalable ways for institutional investors to facilitate the reallocation of capital toward sustainable solutions, using the two most powerful levers at their disposal: 1) capital already invested in companies; and 2) fresh capital investments directed at climate mitigation and adaptation projects.

Asset Manager and Asset Owner Task Force Members

Allspring Global Investments	Legal & General Investment Management Limited
Andra AP-fonden (AP2)	Macquarie Group Limited
Australian Retirement Trust	Morgan Stanley
Bank of America	New Zealand Superannuation Fund
BlackRock, Inc.	NEST Asset Management
Brookfield Asset Management Inc.	Ninety One
CalPERS	PensionDanmark
CalSTRS	People's Pension
Capital Group	PIMCO
CDPQ	PKA
Fidelity International	REST Super
Goldman Sachs Asset Management	Rockefeller Capital Management
Gulf Capital	Schroders plc
HSBC Global Asset Management	State Street
Impax Asset Management	TCW Group
J.P. Morgan Asset & Wealth Management, Inc.	TIAA/Nuveen
Kuwait Investment Authority (KIA)	Washington State Investment Board