

Denmark's Financial Sector Reports Major Progress in Reaching their Climate Targets for 2030

September 7th, 2021
Copenhagen, Denmark

At the Climate Investment Summit today, Denmark's financial sector has exceeded expectations, reporting on its internationally ambitious pension fund and asset manager climate commitments.

At the opening of the Summit this morning in Copenhagen, Kent Damsgaard, CEO of the industry association, Insurance & Pension Denmark, reported on the continued increase of Danish pension industry's investments in the global green transition. Mr Damsgaard reported that since last year **the Danish insurance and pension industry has invested DKK 72 bn. in new green investments, amounting to USD 11 bn.** This means that of the DKK350 bn. conditional commitment made by Danish pension funds in 2019, more than one third, DKK122 bn., has now been invested.

Further to this, Peter Kjaergaard, Chairman of the Danish Investment Association and Head of Wealth Management at Nykredit, reported on the progress of the Danish Investment Association's commitment in 2020, of an ambitious 75% CO2 footprint reduction in investment funds in 2030 compared to the world index in 2020 offered to Danish private investors. Mr. Kjaergaard reported that since the new year, a 9 percent reduction in the CO2 footprint was reached. **Overall, the CO2 footprint on Danes' investments is now 22 percent lower than the world indexes in 2020.**

The Climate Investment Coalition is an international public-private sector initiative, mobilising capital for climate solutions by 2030 to support the global net-zero transition and bringing transformational commitments to COP26 from Denmark, the Nordics and the UK. A crucial element of the Climate Investment Coalition is its engagement to report and track the financial commitments on a yearly basis, as well as sharing best practice investment cases and strategies for climate investments.

The Climate Investment Coalition is an initiative between the Danish Ministry of Climate, Energy & Utilities, Insurance & Pension Denmark, Institutional Investors Group on Climate Change (IIGCC), Finance Denmark and World Climate Foundation.

"We are facing a historic climate crisis and the seriousness has most recently been underlined by UN's new climate report, which is sounding the alarm on behalf of the climate. If we are to keep the global temperature rise below 1.5 degrees, action and massive green investments are needed. Not in 10, 20 or 30 years, but now. That is exactly what the Danish financial sector is ambitiously delivering on. We need more foreign investors to come forward with ambitious green investments. This is also one of Denmark's important priorities for COP26" Dan Jørgensen, Danish Minister for Climate, Energy & Utilities.

"We have an ambition to play a key role in the green transition. In just two years, the Danish insurance and

pension funds have doubled their green investments. We are well ahead in the process of delivering on our commitment to invest DKK 350 bn (amounting to USD 55 bn.) in green assets by 2030. But the green investments do not come without further political commitment: politicians and public authorities must continuously focus on how to improve framework conditions and create an attractive environment for private investors to invest in green assets - in Denmark and in the rest of the world.” Kent Damsgaard, CEO of Insurance & Pension Denmark.

“A year ago, The Danish Investment Association made the first ambitious sector-wide commitment to reducing the carbon footprint of Danish retail equity investment funds. There is no doubt, that shutdowns and restrictions due to Covid-19 pandemic have contributed to the reduction of CO2 emissions during the latest period. In step with the reopening, we must expect some increase in companies’ emissions. This sets higher demand on Danish asset managers to continue the strong focus on sustainability and launching even more sustainable investment opportunities for our customers. And the future looks bright: Every third new Danish kroner invested in 2021 was placed in a sustainable fund.” Peter Kjaergaard, Chairman of the Danish Investment Association and Head of Wealth Management at Nykredit.

“The Climate Investment Coalition is bringing both ambition and real impact through financial commitments for climate solutions by 2030. What makes this initiative unique from previous efforts is also our focus on systematically following up through annual tracking of the investments, making sure that commitments are translated into immediate action. We look forward to continuing to report on financial commitments and bringing new commitments to COP26 to create ambition loops that further accelerate progress.” Peter Damgaard Jensen, Co-Chair of the Climate Investment Coalition and Member of the Board, World Climate Foundation

The Climate Investment Coalition is hosting the [Climate Investment Summit](#) on September 7-8 as a hybrid, in-person and digital event. The Climate Investment Coalition is a public-private partnership between the Danish Ministry of Climate, Energy & Utilities, Institutional Investors Group on Climate Change (IIGCC), Insurance & Pension Denmark, Finance Denmark and World Climate Foundation. The Coalition is creating an international wave of financial investments towards clean energy and climate solutions by 2030 to both developed and developing economies, shares best practice green investment and framework models and convenes leading and experienced climate finance stakeholders to strengthen public-private partnerships.

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