

ALTÉRRRA

FREQUENTLY ASKED QUESTIONS



What is ALTÉRRRA?

Aiming to mobilize US\$250 billion globally by 2030, ALTÉRRRA, is set to become the world's largest private investment vehicle for climate change action. Funded by the UAE, US\$30 billion has been put forward to help finance a new climate economy that, along with contributions from the private sector and other partners, will aim to mobilize US\$250 billion globally by 2030, to get investment where it is needed most, including for emerging markets and developing economies.

Why is ALTÉRRRA needed?

The COP28 Presidency's efforts have centered around making greater climate finance available, accessible and affordable, to accelerate the global transition towards a net-zero and climate resilient future, faster.

At present, private capital is not moving fast enough or at the scale that is required to meet the climate challenge, with barriers felt most acutely amongst emerging markets and developing economies. ALTÉRRRA aims to address the challenge of scale and scalability, through anchor funding and mobilizing partners, to deploy climate finance faster and at scale, where it is most needed.

Who is behind ALTÉRRRA?

ALTÉRRRA is a new climate focused investment vehicle established by Lunate, an independent global investment manager with over US\$50 billion in assets. It is domiciled in the Abu Dhabi Global Market.

ALTÉRRRA will have a dedicated Investment Board, which will be chaired by COP28 President, Dr Sultan Al Jaber, as well as a team of dedicated climate and investment professionals, who bring a strong track record of climate impact and investing in emerging markets and developing economies. HE Ambassador Majid Al Suwaidi will serve as ALTÉRRRA's Chief Executive Officer.

How will ALTÉRRRA work?

ALTÉRRRA is organized into two components to achieve its dual mandate of driving positive climate action and generating strong financial returns.

- **The US\$25 billion ALTÉRRRA ACCELERATION** fund will steer institutional capital towards climate investments at scale that have the greatest potential to accelerate the transition to a net-zero and climate resilient economy. ALTÉRRRA ACCELERATION will serve as an anchor investor and co-investor in climate strategies, allocating capital both directly and through fund partnerships to maximize its global impact.
- **The US\$5 billion ALTÉRRRA TRANSFORMATION** fund will provide risk mitigation capital to incentivize investment flows into the Global South, directly addressing the challenges that currently limit climate investment and access to affordable capital, in-line with COP28's message of full inclusivity. ALTÉRRRA TRANSFORMATION will also create opportunities to leverage concessional finance to further attract climate investment to Least Developed Countries (LDCs) and Small Island Developing States (SIDS).

By de-risking new markets through its catalytic investments, and by providing fresh liquidity that will accelerate investments, ALTÉRRRA will aim to stimulate and mobilize US\$250 billion.

What will ALTÉRRRA invest in?

ALTÉRRRA's investments will be guided by four key pillars aligned with the COP28 Action Agenda to tackle the climate crisis:

- Energy Transition
- Industrial decarbonization
- Sustainable living
- Climate technologies

How will ALTÉRRRA ensure it is delivering a positive impact?

ALTÉRRRA's investment universe will be guided by a robust Climate Impact Framework that safeguards the integrity of its climate mandate, frames investment parameters, ensures accountability and transparency, and drives investment and decision-making. ALTÉRRRA will undergo frequent engagement with its GPs to ensure they are true to mandate and encourage continued development of climate impact management approaches across its GP community.

Under development, the design of the Climate Impact Framework will seek to align with international best practices and best-in class approaches including metrics and methodology, reporting and transparency while operating under the principles of credibility, flexibility and simplicity. ALTÉRRRA will look to publish an interim progress report on its Climate Impact Approach within 12 months of the fund's launch.

Who can partner with ALTÉRRRA?

To deliver its mandate, ALTÉRRRA draws on the strength of partnership with global entities who share its vision: contribute to improving global climate finance at scale to drive an accelerated transformation towards net-zero and climate resilient economies. ALTÉRRRA will inaugurally partner with three leading investors with a compelling climate investment track record: BlackRock, Brookfield and TPG. ALTÉRRRA will continue to expand its partnerships post-COP28 to further catalyze and scaled-up investment and grow its impact in emerging markets and developing markets. Together, they are collaborating to co-create climate investment funds that will jumpstart investment for underserved markets.

What is UAE's commitment to climate finance?

The UAE has had a decades-long commitment to climate investment at home and abroad and it is one of the most significant investors in clean energy. ALTÉRRRA is one component of UAE's commitment and contribution to climate finance, and among the range of finance-led initiatives launched during COP28 to address the climate finance challenge holistically.

To date, the UAE has invested over US\$50 billion in renewable energy projects across 70 countries and plans to deploy another US\$50 billion over the next decade.

Who is Lunate?

Lunate is a global alternative investment manager headquartered in Abu Dhabi. Lunate currently manages over US\$50 billion in assets, primarily across global private markets.