Speaker 1:

So now, I'd like to introduce our keynote segment. Cathryn Carver, Executive Client Coverage for NAB's corporate institutional banking division in conversation with a very special guest, Mr. Mark Carney, Vice Chair and Head of Transition Investing at Brookfield and the UN Special Envoy for Climate Action and Finance.

Speaker 1:

Katherine and Michael discussed the role of banks, asset managers, funds, and other participants in mobilizing capital to fund the transition to net zero. Introducing Cathryn.

Cathryn Carver:

Good morning and welcome. I'm Cathryn Carver, Executive Client Coverage in our corporate and institutional banking business here at NAB. And I'm delighted to be joined today by a very special guest, Mark Carney, Vice Chairman and Head of Transition for Brookfield asset management. Welcome, Mark.

Mark Carney:

It's great to be here, Catheryn, good morning.

Cathryn Carver:

Mark will be speaking with us today about the mobilization of global capital to help steward economies to transition to net zero by 2050.

Cathryn Carver:

Before we begin, mark, I'd like to talk a little bit about your career and your work in helping to drive climate action. You've got a very strong background in economics and banking. And in your current role at Brookfield, you're focused on the development of products for investors that will combine both social and environmental outcomes with the delivery of healthy risk adjusted returns. You also have served as both the Governor of the Bank of England and also the Bank of Canada, and have worked at the Global Finance House, Goldman Sachs and at the Canadian Department of Finance.

Cathryn Carver:

Notably, you are currently the United Nations Special Envoy for Climate Action and Finance, and you're a member of a number of boards in the fields of technology, economic development, and philanthropy.

Cathryn Carver:

So it's clearly very obvious that you feel very strongly about the intersection of finance and climate action. We all know there's a clear imperative to take very positive actions now towards the transition to net zero. And we're absolutely delighted to have you here today, Mark. Now it's over to you, please join in welcoming Mark Carney.

Mark Carney:

Great. Thank you very much, Catherine. It's a thrill for me to be here. Not least because you and I, and with Ross and the NAB team, National Australia Bank team, we've discussed what you've been doing in this area and the leadership that you've shown. So I'm privileged to have this opportunity to spend a few minutes and provide an overall context and looking very much forward to our discussion.

Mark Carney:

And what I'm going to do to start out, and I'm going to start high and then move dow towards the ground. I really want to begin by addressing the issue of why haven't we collectively been addressing this issue in the past, or as seriously as we should have. And I'd make the argument that part of this has been an issue around the relationship between value and values.

Mark Carney:

Now you don't have to buy my book, because I'm going to give you the point in a shorthand. Which is that, we develop a view that, that which is priced has a value. Price equals value. And if something's not priced, it doesn't have a value. So we know that Amazon is worth $1.4, or so, trillion. You get a precise number at this morning on your smartphone. But the Amazon region has no value until it's actually stripped of its foliage and converted into farmland. And when you combine that with the classic economic problem in the environment, the tragedy of the commons and there's common grazing land or fisheries, or indeed rainforests, nobody owns them, and therefore they're overused. And the tragedy of the horizon, which is that we're all my very much, myself included, irrationally impatient. That's what's been driving the climate crisis.

Mark Carney:

And what was needed, what has been needed to break through, has been to really develop a consensus, a hierarchy. A consensus around sustainability and a hierarchy around the value of sustainability, sustainability as a value. And then actually, the market isn't part of the problem, it's very much central to the solution. And I'm going to show why the first has happened. And then how do we organize the market? Both the providers of capital and the people who are really doing the work, the companies, so that we can get to sustainability and through to a net zero world.

Mark Carney:

Now, this is just to give a sense of what's happened in the last two years. And it really is quite phenomenal. The number of countries with net zero commitments, up sevenfold. Australia, very much included there. And then the top right, showing the proportion of global emissions that are covered by those net zero objectives rising from less than 1/3 to 90% in a very short period of time. And guess what, you have it at the country level and it starts to cascade down through the system, the largest companies in the world. That's the current running total of the highest level of net zero commitment. And these are all big companies, over 5,000 of the world's leading companies.

Mark Carney:

And then in the bottom right, the financial sector has moved in size. And I'm going to spend a bit of time on that. It's not going to surprise you, but that number 130 trillion US dollars is a very big number, indeed.

Mark Carney:

Now a lot of that came together last November in Glasgow for COP26, lots of acronyms there. So let me kind of unpackage the key takeaways, if you will, from that meeting and where it sets us up going forward. The first is at the top and the slogan was to keep 1.5 degrees alive. In other words, have sufficient ambition from countries really so that there was a prospect that we could reduce greenhouse gases rapidly enough consistent with 1.5 degrees.

Mark Carney:

Now that happened in the sense of we moved from that 1/3 to 90% emissions covered. It also happened because countries agreed. Over 190 countries agreed explicitly on that 1.5 degree objective. That was actually a tightening of the objective for climate. At Paris, the objective was less than two, 1.5 was mentioned, but it wasn't the core objective. And so we had a tightening objective. That's the good news. The bad news is the reason countries tightened the objective is the science and the experience is indicating that it is much worse than previously thought to go from one and a half to two degrees.

Mark Carney:

Now, setting an objective is the start, but of course you need the policies to back those up. And there still is a gap. And I'll bring out a bit more of that later in my remarks. To address the gap between policies and ambition countries are supposed to come back to the next COP, which is really only a bit more than six months away in Egypt with more ambition.

Mark Carney:

Now, one of the innovations at Glasgow was a series of agreements or deep decarbonization agreements. Not everybody agreed to these, but in the case of methane and avoided deforestation over a hundred countries agreed to significant commitments on this. And these are material from a climate perspective, and they're really supplementing what countries had agreed at the state level. Techy things around finalizing the COP rule book. All you really need to know is that it's over and it's finished. And part of what that could unlock is carbon credit markets, which can play a complimentary role for where we need to go. Last point I'd make, the last two points on this slide is really about private sector leadership. This is the first time. This is a sea change in terms of private sector leadership, both on the corporate side and in the financial sector to be part of the solution.

Mark Carney:

Now, this is about as fancy as I get, tick marks going across your screen. What this is to convey is there were a series of plumbing changes at COP to the financial plumbing, kind of worthy the type of things that is not supposed to make headlines, and certainly did not make headlines. But what they do is set up the foundations for a system where so that capital can go to where it's needed most for climate solutions. But let me highlight the main components of that, and I would say there are five. And the headline here is the important thing, which is, what are the elements that are supporting a transition in mainstream markets? So this is the everyday lending markets. It's in the core capital markets, the core risk and hedging markets. None of those have an adjective in front of them. They're not the green lending market, the green capital market, the green hedging, or ESG markets. This is mainstream finance. And really given what's needed at the scale of investment that's needed, we do need to be in the situation where climate is one of the factors, sometimes the decisive factor, but it's always a factor in institutional financial decisions. So what are the main components of this? Well, the first and the foundational aspect is mandatory disclosure. Now you see a few acronyms there. It's really mandatory disclosure around climate.

Mark Carney:

There is something called the TCFD. Many of you will be familiar with it, but not everybody would be familiar with it, understandably. The TCFD was commissioned effectively by the G20, when I played a role with them, but it was done, if that's the right word. It's not the right verb. It was created and then implemented by the private sector. And so it's private sector answer to this question of what's relevant from climate disclosure. What do investors need lenders need? What do companies furnish? Those other acronyms, the SEC, you're probably familiar with them and the US and the ISSB you wouldn't be familiar with that, but you will get familiar with it because this is the global sustainability disclosure body that was set up in Glasgow, will cover Australia and other major jurisdictions outside the United States. And the good news is both of those organizations are basically doing the same-

PART 1 OF 4 ENDS [00:11:04]

Mark Carney:

...States. And the good news is both of those organizations are basically doing the same thing, which is to take that private sector solution and making it mandatory. I'll be quicker on the other ones, which is climate stress testing. It's one of our hosts favorite things, being stress tested on climate by their authorities, science based transition plans and portfolio alignment. I'll unpack that a bit more, but effectively what's being set up is a system that supports transition. So again, to get capital through mainstream lending markets and lending institutions, like our hosts and through capital markets, to companies who have plans and the ability to get those emissions down. Orders of magnitude, very important, how much is needed to move us towards net zero or to net zero on the energy side. How much is there? That's pledge of balance sheet that as time goes on, we'll roll over to support those investments.

Mark Carney:

You can see that they're analogous in the hundred, a little over a hundred trillion dollars and as I mentioned, about 40% of global financial assets. Now there's a very busy slide. What you should take away from this is that this group that's made this commitment, the Glasgow Financial Alliance to Net Zero and our hosts are members of that... Founded members of it. It spans the financial sector. So it's the asset owners. So think the major pension funds, asset managers of around $60 trillion of asset managers, including all the major index asset managers and members of that. The center, the Net Zero Banking Alliance, again, more than 60 trillion of assets for the banks who are members and then insurance underwriters, and then importantly, the financial services providers. So think the major index providers, the rating agencies, the accountants as well, everybody moving to net zero commitments.

Mark Carney:

I'll unpack that in a moment what it means. Importantly though, this is a private sector group. It's got UN sponsorship and support underneath it. And it reports periodically into something called the FSB, which if you're familiar with the financial sector, you'll know, is the umbrella group for the regulation of the financial sector globally. Okay. Made big commitments. What's GFANZ actually going to do? Well it's to help set up this system for the transition. And it's really focused in on creating net zero, translating pledges into actionable transition plans for the financial institutions and working with the private sector, working with real companies to get the information so they can get the capital to them. Now, one of the key issues I mentioned briefly at the start, this issue about being rationally impatient, you're probably rationally patient, by the way, at this stage of my presentation, you'd like me finish. But the point I want to get across here is to pull. What we want to do is to bring the future to the present. So net zero commitments for 2050 are table stakes, if you will in this. But importantly, the financial institutions have committed to helping work with their clients, you for the fair share of decarbonization, the 50% decarbonization that's needed by 2030 to be on track. And then also they've committed to provide decarbonization plans with a five year horizon. So the future moves to the present in that way. So when you bring it together, we have a global imperative to address climate change. And there's been this huge progress over the course of the last few years. We know to get there, we need a whole economy transition. It's creating a massive economic opportunity in the system as we move forward. I mentioned some of the orders of magnitude at the investment, but think globally of range of about 4 trillion or midpoint about $4 trillion dollars a year, which is an enormous figure.

Mark Carney:

It's around two percentage points at GDP, but it's also an achievable figure because that's what we used to invest globally at extra two percentage points of GDP at the start of this decade. So before we had the savings glut and the investment drought that in many respects has played our economic performance over the course of the last few decades. And of course a lot of this, but not all of it will come in clean energy. I just want to finish up just to make a couple of final points. One is what we are seeing in financial markets is that this is coming into valuation of companies. Now it's a bit of a busy slide and a caveat's... Not a caveat, but I'll say that this is of European public equities. But when you see at the bottom, that valuation premium, which was around 4% in 20 and at the start of the last decade.

Mark Carney:

And when I say premium, this is measuring companies who are low emitting within their sector, versus those who are higher emitting. So within the auto sector, within the steel sector, within the tech sector and others. So it's not about I'm low emitting because I'm a tech company and I have high valuation premium, I'm being compared to my peers. So you go back 10 years ago, there was a bit of a premium, it was about four and a half percent, it was just statistically significant. That has more than tripled, it's north of 15% most recently. And I would expect on balance that this is going to continue, that premium will continue to expand because this is just beginning to mainstream. And the information is just beginning to come in and the focus is just beginning to get there. So again, this is a world where we're looking at speed with which, and credibility with which companies are transitioning along pathways consistent with net zero, as opposed to an ESG or some other label like that.

Mark Carney:

Okay, well, I don't want to paint the picture that everything is now there, and we can just go on autopilot. There are issues that need to be addressed. And the big first one is the most important, which is countries as a whole, no one has this totally right, need to do more to close the gap between what they say they want to do to move to net zero and the policies underpinning that, I'll come back to that just to finish up. The second point though, is we collectively need to scale about a trillion dollars more by the middle of this decade in capital flows to the emerging and developing world for their climate transition. Now that bulk of that is going to need to come from the private sector, which means there needs to be a commercial return for that.

Mark Carney:

And there's a series of efforts underway to make reforms and to package opportunities for that to be the case. That middle bullet point around the architecture, fancy word for net zero, but just think about having in place those transition plans I talked about earlier and building out some of the other architecture that's necessary. And very much top of mind is this energy transition and be more specific about what's consistent in conventional energy and clean energy, what's consistent with where we need to go. I mentioned minding the gap at the start, and this is actually now that I look at it quite a busy slide, but the thrust of this is that if countries, the Paris goal and the Glasgow reaffirmed this one and a half degree stretch target, as you see in the green. And if you work from the right to the left, given what everyone has pledged, and if they follow through on that to the T we'll end up at about 1.8, but if you move a little farther to the left and you look at policies and policies specifically around 2030, which I think is the right way to look at it, the move, we're at 2.4.

Mark Carney:

So there's a gap between what people have said they're going to do and where their policies are and as you would've clocked, there's a gap. And we get need to get a few countries to say a bit more about what they're going to do, and obviously close that policy gap. But one of the messages that we are sending to governments and policy makers is look because the financial sector has moved so far, because we're about to get all this information, or we're getting all the necessary information because companies are coming up with solutions. You are now, countries are now in a position where the more clear they are about their climate policies, not just today, but actually more importantly, where they're going towards the end of this decade, that can start to provide much greater certainty for investment. It encourages companies to put money to work.

Mark Carney:

It funds innovation. It accelerates the transition and low and behold as we move towards the end of the decade, this virtuous cycle has meant that it's a smooth transition. And I would say, this is one of the growth engines if we get it right. And the last point, and this is a point that Janet Yellen and I developed before she got some big new job, but what she was temporarily, not fully employed, it's very rare, that again with credibility, the severity of that future policy, the aggressiveness future policy can be much less. And this is a key point that we're seeing picked up.

Mark Carney:

So let me just finish there. I think we know, and we've got the consensus that this is absolutely a global imperative to address climate change, but it's also enormous commercial opportunity. It will be one of the deciders in terms of competitiveness of companies in virtually every sector. It's one of the factors that's driving valuation. We're seeing in public markets that will come more. And finally, if you're in the financial sector, obviously in terms of not just managing risk, but seizing opportunity, it is a fundamental factor and will only continue to move in that direction. So with that, Catherine, if I'll stop and we can hopefully have a discussion.

Cathryn Carver:

Absolutely. And you know, just on behalf of all of our delegates out there Mark, really appreciate that really insightful commentary. A couple of takeaways for me, especially given in the role I am as executive of client coverage. I mean, you're pulling around this growing private company, public company, but private sector leadership. There's not a conversation with a client.

PART 2 OF 4 ENDS [00:22:04]

Cathryn Carver:

There's not a conversation with a client that I'm not talking at length around this topic. And that's building, as you say, by all of... The delta of your charts pretty much aligns with the commentary. The other point you made around the carbon credit markets being incredibly complimentary. They're not the panacea, but they're very complimentary and very needed in terms of this transition.

Cathryn Carver:

The one that probably I shouldn't get as excited about, but I do get excited about was the point you made about financial plumbing. Again, because if you don't have the foundations right, you can't do what you need to do. And lastly, just that climate is always a factor in any risk assessment. And certainly we're spending quite a bit of time on terms of how we kind of integrate that. So really appreciate those insights and certainly resonated.

Cathryn Carver:

Now we're going to switch gears to asking some questions and probably extracting a number of things that you've touched on in your opening remarks. The first one I want to just sort of kick off with, which is in other speeches, you've said that net zero is the greatest commercial opportunity of our time. I'm just interested in you kind of picking that a little bit for our audience, recognizing we've got some very large clients and funds on the phone and we've got some agri farmers on the zoom call as well. I'd love to hear your thoughts on that.

Mark Carney:

Yeah. Thanks for the question. Look, there's a few ways to look at this. One of them, which I mentioned in the remarks, is just on a raw numbers basis. If we look at the scale of investment that's required in order to get there and the commercial return on 130, 150 trillion cumulative investment, an extra three to $4 trillion of investment per year. That's just a major opportunity that exists.

Mark Carney:

I think the other way to look at it though, and these are all of course related, is that this will be one of the determinants of competitiveness for a company. So the commercial opportunity is to get ahead of, as in all things, your competitor's actual potential and it's fairly clear, certainly the direction, and it'll be increasingly clear what good looks like in terms of the transition towards net zero. It's not flipping a switch and overnight you don't have any emissions, but it's having a plan getting those emissions down. And I think very importantly, and this is a key thing. I know one of the realities of your business is that you serve, let's say a third of Australia's small, medium size enterprises.

Mark Carney:

One of the determinants for the competitiveness of larger enterprises is going to be the carbon footprints of their suppliers and their customers. And in the parlance, if you ever hear about scope three emissions, that's what people are talking about is the whole value chain. Let's say I'm the big enterprise of this conversation. Well, I'm incentivized to work with my suppliers, to work with those downstream maybe if I supply to others to reduce the emissions across the value chain, because guess what? I own those emissions if they're material, I own them in a sense of climate disclosure. So I need to think about the system and guess what else for those who are in the businesses? If I can put it that way. So does your banker. Your banker own those emissions. So your banker's incentivized to help find ways to provide capital either upstream or downstream.

Mark Carney:

That's an element of... It's a reality and it's a strategy to address it. But of course it brings commercial opportunity up and down that value chain. Just the raw numbers answers the question in many respects, but how you think about corporate strategy competitiveness. Look, my answer is already too long, but let me put one more point down, which from horrific current events and the way what's been occasioned on this, and I'm going to quote Janet Yellen again. A few weeks ago, a month ago almost, she talked about friend shoring and changing value chains and instead of onshoring it's if you're moving your production or your other relationships, or you're investing in new ones up and down the global value chain, well, shouldn't you put it in jurisdictions that share your values, et cetera?

Mark Carney:

Now, one of those determinants I think is going to be, well, am I going to get low cost? Well, low cost, but also low carbon power? Because guess what? I own those emissions. And if I'm shifting, it's there. So again, it's a competitiveness driver in this.

Cathryn Carver:

Thank you. I mean, really insightful and resonated. And I hadn't heard the expression friend shoring before, so I'm going to source that from you via you from Janet. We've spoken about commercial opportunities. I probably want to flip it a bit. What do you see as the risk for companies not acting? Well, that's very important. And then more slowly in terms of accepting and embracing climate transition strategies.

Mark Carney:

Yeah. I mean, it will be an increasing risk. I think first off again, from a perspective, whether it's the end consumer in and up, down the value chain and/or with time, the providers of your capital, they're all going to ascribe a value to this. So it's going to be higher cost, fewer sales. I mean, it's classic competitiveness. And this is one of those crosscutting structural changes, that if we had the wisdom of hindsight with IT in the IT revolution a few decades ago, seeing where it was going to understand that. I think the Internet's really going to take off type of thing.

Mark Carney:

It is a risk. It doesn't mean to be clear that... And I overuse the expression maybe, but the expectation is not you all of a sudden flip a green switch. It does mean though that the expectation is that you know your carbon footprint, start to develop a plan and implement a plan of what you're going to do about it, and then like anything. You've got senior managers here. You know how you establish credibility is through a track record of performance. And the more credibility you'd establish around this, the more capital suppliers and progress you'll make.

Cathryn Carver:

Thank you. We know banks and other financial institutions have a huge role and quite frankly, a huge stake in achieving net zero and helping their clients obviously do so as well. What are some of the really standout kind of innovations that you've seen in terms of transitioning across the financial sector? If I can get you to dive into that particular sector.

Mark Carney:

The standout on transit. Look, there have been some innovations which are very sophisticated. And I think part of the question will be, are they so sophisticated that they don't ultimately mainstream? And let me give you an a specific example, which some large asset owners have calculated, including Japan's pension fund, the Bank of England, some big European insurance companies have calculated the degree warming potential of their portfolios. And I'll just take a second to explain this, which is that they've looked not just at the companies they own in their carbon footprint, but whether or not those companies have plans to transition, how credible those are and how rapidly they transition. And given all of the emissions that are there, if the economy looked like these companies in their portfolio, by how much would we make or miss our climate goals.

Mark Carney:

Now the answers to those questions, and these are institutions that think a lot about the climate change and have started, not obviously finished, but started to shift their portfolio, it tends to be around three degrees to three and a half to more. The most recent version of those calculations were a few years ago. Do I think that's ultimately going to mainstream and we're all going to be reporting our degree warming? Probably not. I don't want to be decisive on it. I do think what will be asked of the financial sector is some way of being very clear about what proportion of your assets are on track for the one and a half degree commitment your country and the world has made, either on track themselves or have a prospect of going on track because it's almost as important or as equally important is a better way to put it, that companies that have plans, they have capital. It takes a few years for that to be put to work and actually get the emissions down.

Mark Carney:

And that degree of what we call portfolio alignment, I think is if I call it an innovation, I think will be an important discipline in and around it. There's a lot more coming though in terms of financial innovation, I think in terms of... And I'll finish on this, which is that banks thinking about how much of their balance sheet... There's a number of these investments that are long tailed investment. You think about retrofitting a house or heat pumps or some other thing. It becomes a question, well, can you share the capital cost with the homeowner? Do you have a mortgage that's related to that? And how do you share it? And I think we're seeing early stage of that innovation. I suspect we'll see a lot more.

Cathryn Carver:

Yeah. It certainly resonates the whole transition.

PART 3 OF 4 ENDS [00:33:04]

Mark Carney:

... we'll see a lot more.

Cathryn Carver:

Yeah. It certainly resonates the whole transition planning, and integrating that into your risk assessment, but also presenting different opportunities to your client base or customer base. So, maybe just switching gears more into some of our customer segments that are on the call or at this event. What about the smaller business or the private investors, in terms of, what is the help that you are seeing? Perhaps from your time in the UK or as the UN, in terms of helping them transition. Obviously, the private investors are higher net worth potentially, or not, but those SMEs that perhaps don't have all the money that larger companies do to spend time. So, what are you seeing globally in terms of how banks and other organizations are helping these segments?

Mark Carney:

Yeah. I think the first thing to say is that, there's a recognition in this, as in some other big initiatives, although it's hard to see one as big as this, of sequencing, the importance of sequencing and starting with the largest, most sophisticated global companies and those with the biggest resources and moving inwards, if you will, from there to mid-size and then ultimately small-medium size. Now, in terms of the SMEs, the small-medium size enterprises, I think it's early stage, but I think banks, as their partners, have been helpful in terms of just estimation of where their carbon footprint is and helping to share what is being seen across the sector to help get down. I think that what we talked about a few minutes ago, in terms of the value chains and that the help there to help move emissions through shared approaches there is important.

Mark Carney:

But it's developing, Katherine, I would say, that the real focus on our largest companies, larger, medium size companies with it gradually working in. But of course, the event, if I can say it this way, it's helpful to know what's coming.

Cathryn Carver:

Yes.

Mark Carney:

And start to work and prepare towards it. Yeah.

Cathryn Carver:

Yeah. No, thank you. And appreciate it. It's evolving as we speak, especially for this particular two segments. Maybe just one last question, conscious of time. What's your score out of 10 for how the companies develop... Sorry. Countries are progressing in terms of climate transition. Being a little controversial in terms of asking you for a number, but I think it's, coming from someone with your substance and experience, I think it's important to let the delegates know what you are thinking.

Mark Carney:

That's a great question. I've never been asked it before. I'm not surprised you're the one that asked me the question that I haven't been asked before so to the point. But look, I would say, I'm going to answer it this way, which I would say I probably put the median at, for the developed economies, at a six. And I would say that there's a range around that, and the skew... Look, I'm going to give you a complicated answer now. I'd say the upper end of the range is at seven, eight, nobody's at a 10.

Mark Carney:

And then the left tail of this is a little longer than that. But let me just add, just if you give me a minute, just to expand on that for one second, which is that the kind of policies that are really good and are really having the impact and traction are simple, straightforward policies that cut across the sectors. So, European, Brits, Canada saying no new internal combustion engines, some countries, say 2030, most say 2035 vehicles can be sold. That is driving big, big invest. That's what's driving the big investment in the auto industry is like, okay, big enough markets, date certain, we act today. Canada has a carbon price, it's legislated, you know what it's going to be. It's interesting that it's $50 a ton today, but it's decisive that it's 170 in 2030. So, those types of policies where it's clear.

Mark Carney:

And then let me make one other quick comment, which is, I think that number, so I arranged as six, a few above, others below. The response to the energy crisis that we're having and the energy security issues will be quite decisive here, because look, there's a short term scramble for energy, it's understood. But anything that's materially going to change the energy mix in any of our countries, that's a five year-ish timeline. Whether it's LNG or very large scale clean energy. Very large scale clean energy.

Mark Carney:

And the question is, are governments being disciplined about those decisions, consistent with their overall objectives? If they are, this actually, and the early returns on the Europeans and on the UK, the two most affected areas, is absolutely, they are, they're tripling hydrogen in both cases. The substantial increase in other clean energy and the discussions around hydrocarbons are around bridging that 20 year horizon as opposed to longer horizons. But let's see what happens there. And as I say, early returns are positive, and it's not so much about what you and I decide their numbers are, but what's actually happening on the ground.

Cathryn Carver:

Mark, can I thank you enormously for your time, most importantly, for your insights. I'm sure every single delegate, in terms of our customers, both at the corporate and institutional part of our business and the business and private bank part of our NAB business will be very thankful for hearing your insights. We wish you all the very best, both in the very, very special and privileged role that you have at the UN, in terms of being Special Envoy in terms of climate action. It's so important and you are very well credentialed to continue to do that. And obviously, your important work and role at Brookfield.

Cathryn Carver:

I just want to leave the delegation with... I'm going to quote you back to the delegation, which is the quote that resonated most with me today, which is "Values are driving values," and I know you focused in on Europe, "lower meeting companies are trading at a premium." Now, whether you're a public company or a private company, the spirit of that quote that you shared with us is there. And I'm certainly a true believer in that, and certainly NAB is a true believer in that. So again, on behalf of National Australia Bank and all of our customers here today, thank you so much. Thanks, Mark.

Mark Carney:

That's great. Thanks, Katherine.

PART 4 OF 4 ENDS [00:40:23]