



**November 2025**

As Federated Hermes, Inc. celebrates its 70th anniversary, our commitment to sustainable wealth creation remains as strong as ever. As fiduciaries, we have a responsibility to those who have entrusted us with their financial well-being to ensure that we manage their funds prudently – assessing all material risks and opportunities, including those related to existential factors, such as climate change. We must focus on data and facts, cut through political noise, and make sound informed investment decisions for the benefits of our clients.

COP 30, set in the heart of Brazil, the Amazon, the lungs of the planet, provided a powerful and symbolic context for meaningful discussions on the changes needed to mobilise capital at scale and to implement key policy shifts that recognise the financial cost of failing to do so is in the trillions.

This is why I attended COP30, and why our team at Federated Hermes worked tirelessly across Rio, Sao Paulo and Belém.

We attended this COP, as we have attended nearly all COPs going back to 2015 when I was the only Investment Manager CEO to attend, not only ensure our message was heard, but also to listen and engage with all those in the global community focused on the needs of the planet. One can learn a significant amount about the risks and opportunities we face as a global community through meaningful discussion with those at the vanguard of the debate. In doing so, our aim is to deliver sound, resilient investment returns which properly consider both the risks and opportunities of climate change.

Sustainable investing is an imperative. In this Anthropocene Age, the global response to decelerate the degeneration of the planet is creating structural change in the economy, which opens up new risks and opportunities. As fiduciaries we are compelled to consider these risks and embrace these opportunities, which will deliver positive returns to not only our investors – with the side benefit of delivering positive outcomes to our greater society and planet.

In a recent paper entitled “The Three Tables of Roulette: Asset Allocation in a Post-Liberal World,” I argued that we are entering a new economic paradigm with the re-emergence of Mercantilism as a defining feature of state policy, but one in which economic and geopolitical imperatives dictate that it is defined by interdependence, policy coordination, and long-term value creation. These structural changes in the economy, as it responds to the climate crisis, present opportunities for those well-governed companies that can see and embrace necessary changes. These will be the most resilient companies, and the ones in which capital will most easily flow.

In addition to identifying new opportunities, we also have a responsibility to our investors to ensure that companies we invest in properly consider all material risks. Not only direct climate risks to their operations but also indirect risks across their supply chains and markets. Companies need to utilise new technologies and artificial intelligence to ensure they fully understand their material risks. Companies which fail to consider material risks, including risks relating to climate, and fail to take advantage of new and ever emerging opportunities, will perform significantly worse than those that do.

We in the financial industry must work with companies on their resilience and transition planning and with policy makers to design frameworks that encourage and reward positive engagement, not exclusion.

Active ownership, engaged stewardship, and driving positive change to deliver better financial returns is the most effective way to activate private capital. Sustainability is not an ideological choice, but an economic and investment imperative. Responsible investment delivers stronger long-term returns, and the case for sustainability must be made not as moral persuasion but as sound economic logic.

We must continue to work collaboratively on new opportunities, and we must share best practices that exist today.

At COP 30, I issued a call to action for our industry:

- First, engage with companies to ensure they properly evaluate all material risks and opportunities – share best practices and the positive impacts of artificial intelligence and new technologies;
- Second, work with regulators to establish meaningful rules that encourage behaviours leading to more resilient companies, increased transparency on risks faced by companies and their supply chains, to lead to more accurate risk valuation, which will then ultimately lead to more informed decisions on capital flows; and
- Third, collaborate with all stakeholders, be it Governments, policy-makers, MDBs, assets owners, etc., to craft innovative financial solutions that can achieve scale from the outset.

At Federated Hermes, we pledge to work with policy makers and to assist companies on their transition journey, not only because it is the right thing to do, but because it creates long-term value for our investors. I hope the following excerpts and summaries from our COP 30 experience are both insightful and motivating, as we continue working to ensure that positive, sustainable performance becomes the new economic norm.



**Saker Nusseibeh, CBE**  
**Chief Executive of Federated Hermes Limited**





**Mitch Reznick, CFA**  
**Global Head of Sustainable**  
**Fixed Income**

Whilst there has long been a call for commercial capital to join governments and development institutions in closing the financial gap to reverse climate change, here at COP30 there has been a noticeable difference. The discourse has shifted from determining what is needed to make it happen to how to make it happen.

As for finance, three themes have emerged on generating capital sufficient to fund the transition of the economy's linear means of creating economic value to a circular one, thus perpetuating the planet's ability to support its growing population.

- Mobilisation and scaling of the capital markets
- Innovation in investment tools and structures (e.g., blended, catalytic, labelled)
- Establishing partnerships to mobilise, scale and innovate commercial finance

We participated in numerous concrete, pragmatic conversations around these three, self-reinforcing themes during panel discussions, and most importantly, in between them.

To mobilise capital, investment returns generated from sustainable finance activities must be commensurate with risks. We cannot expect capital markets to subsidise returns for altruistic purposes at the scale required to solve the climate crisis and inexorably linked planetary stress: biodiversity, water, food systems, society. By the acceleration of now-forming new partnerships among key financial stakeholders in the value chain, the 'returns' challenge can be solved.

If we in the financial ecosystem – asset owners, private wealth, asset managers, DFIs, financial institutions, etc – continue to attach ourselves in partnership as complements at the points of our expertise where development and commercial finance meet, we can simultaneously deliver returns commensurate with risks and provide for planet and people. Driven by the forces that underscore the formation of capital at scale – visibility of cashflows and payback periods; market demand; cogent investment structures; and of course, impact outcomes and reporting – this is already happening. We need systematic change to mitigate systemic risks. Federated Hermes has been a part of this transition and, as our active participation in COP30 shows, will remain so.

### Key engagements

- Convergence Global Forum: The Future of Blended Finance (Pre-COP)
- S&P Global: Decarbonisation Pathways in the Agri-Food Industries
- Boston Consulting Group – Leaders in Sustainable and Catalytic Investing Roundtable
- BCG / WBCSD/ the Council for Inclusive Capitalism – Blended Finance Solutions for a Just Transition
- KPMG/WBCSD: Quantifying the Financial Effects of Sustainability Risks & Opportunities
- JP Morgan DFI: Mobilising Sustainable Capital for Climate and Development
- S&P Global: Energy, Food, and Water: The Climate Nexus of Resilience
- World Bank Group / IFC: Unlocking the Power of the Financial Sector: Mobilising Private Capital for Climate, Jobs, and Resilience
- Global Alliance for a Sustainable Planet, Institute for Economics and Peace, UNITAR SDG Centre Singapore: Climate Resilience: The Key to Peace and Sustainability in Asia
- World Climate Foundation: From Intent to Allocation – Fast-Tracking Institutional Climate Capital
- International Parliamentary Union: Launch of Parliamentarians' Global Guide to Climate Change and Solutions
- SB COP and the FAIRR Initiative: High-Level Panel on Transforming Food Systems for Climate, Nature, and People
- OECD: Debt markets for sustainability & climate transition



**Hayley McGuinness**  
**Associate Director: Sustainability**

Emerging Markets and Nature were focal points at COP30. Investors have recognised the opportunities (and necessities) of the transition – the money is there, waiting for bankable projects. This is particularly true for emerging markets investments – which are critical to achieving our climate goals. To mobilise capital, we need (1) to fix the warped perception of credit risk in emerging markets which does not reflect real risk; (2) specific and stable policy signals from Governments; and (3) to scale innovative and blended financial instruments.

Part of my focus was to better understand current efforts to address these issues, and to share insights, as investors and stewards, on further action required. One overarching issue became clear – all stakeholders need to speak the same language and should maintain an open dialogue to ensure their needs are understood.

A key discussion point was the reality that emerging economy transition pathways will differ from those of developed economies – particularly regarding technology and timing. We need emerging economy Governments to send signals to the market of what a Net Zero transition looks like for them.

Finally, the Nature penny has dropped. The conservation and restoration economy is a huge investment opportunity and a key pillar of prudent financial risk management. Valuing and accounting for nature within the financial system is slowly becoming mainstream, alongside recognising and managing nature risk within the financial system. We joined numerous sessions discussing the mechanisms emerging, and scaling, to support this: from efforts to capitalise transition, adaptation and nature investments on the balance sheet; to further growth of nature as an asset class throughout instruments such as the Landbanks' Nature Restoration Units; to the emergence of ISO standards such as the first global standard to assess biodiversity impacts.

We met with indigenous leaders from the Amazon and Cerrado to discuss the systemic issues at play and the collective approach needed for risk management and value creation. Nature, at its heart is a local issue and a successful conservation and restoration economy requires the creation of economic opportunity 'on the ground' for indigenous and local communities. We speak a lot of negative tipping points in climate change, but there are positive tipping points too – we have seen these in technology so far (battery, solar pricing), but positive nature tipping points are waiting to be unlocked.

### Key engagements

- Indigenous rights, land use and de-reforestation – PRI (Speaker)
- SPRING (PRI stewardship initiative on nature and biodiversity) field trip to the Cerrado biome to understand community perspectives, sustainable production practices and land use dynamics
- KPMG at COP30: São Paulo Roundtable – Climate Promise Investment Accelerator Activation and Country Pilot Introduction
- KPMG at COP30: Quantifying the Financial Effects of Sustainability Risks & Opportunities –
- World Climate Foundation: Meeting Investor Needs: Policy to leverage sustainable finance innovation and bridge ambition and implementation
- Climate implementation summit
- Climate and Nature Positive Dinner, World Climate Foundation



**Will Farrell**  
**Manager, Stewardship &**  
**Engagement EOS**

Throughout our COP30 attendance in both Belém and Sao Paulo, we have forged new partnerships and cemented existing relationships with the thousands of senior business, policymaker, finance, and civil society representatives.

Despite the obvious global challenges to both climate mitigation and adaptation efforts, delegates' spirits were buoyed by the focus on real implementation, the industrious showcasing of real business cases for action, and early signals that policy momentum is building.

Anchored by COP30's laser focus on real implementation and the scaling of private finance, I've left COP30 with a renewed conviction that Federated Hermes is competitively positioned to lead the asset management industry in capturing value creation opportunities through the transition, including through partnerships with those innovating for mitigation and adaptation on the ground. I presented our leadership through a selection of panels and roundtables across the topics of

transition planning, scaling finance into nature and emerging markets, and how businesses can adapt to the physical impacts of climate change. Through these constructive and practical dialogues with other stakeholders, we are kickstarting and renewing partnerships to move forwards, including in how we steward companies to most effectively mitigate financially material climate and nature risks.

Additionally, I provided direct input to policymakers attending across these sessions, articulating exactly how – in our view – policymakers can unlock economy-growing, value-enhancing investments and capture strategic climate opportunities through sector transition planning, blended finance, and full integration of nature

Post COP30, we can leverage these partnerships to foster innovation, value creation, and risk mitigation for our clients, including through our stewardship activities and our strengthened dialogues with policymakers.

### Key engagements

- Panellist at the UK Pavilion in the Blue Zone, *The Role of Business in Building Climate Resilience* (Belém)
- Panellist at the Korean Pavilion in the Blue Zone, *Mobilising Public and Private Finance for Nature* (Belém)
- Panellist at the Global Resilience Hub in the Blue Zone hosted by the US Chamber of Commerce and KPMG, *AI – A Positive Catalyst to Accelerate Climate Action and the Energy Transition?* (Belém)
- Panellist at the CityUK's event, *UK Leadership in Sustainable Finance* (Belém)
- Panellist at KPMG's *Transition Planning Bootcamp* (Belém)
- Panellist at EY and the UNHCR's *Unlocking Private Capital for Fragile Contexts* (Belém)
- Contributed to the World Climate Foundation's roundtable on scaling private finance into nature (Sao Paulo)
- Contributed to MSCI's physical adaptation and resilience roundtable (Sao Paulo)
- Contributed to Investor Policy Dialogue on Deforestation (IPDD) meetings with both the Brazilian Treasury Department and the Brazilian Central Bank (Sao Paulo)



**Katerina Papavasileiou**  
**ESG & Responsibility Director,**  
**Real Estate**

In Belém, I had the opportunity to join rich conversations on delivery in real estate and actively contribute to the agenda for a sustainable built environment. COP30 was a chance to ensure our voice as an asset manager helps shape the global agenda and capture the opportunities that emerge.

Observations: Brazil's COP30 Action Agenda set a strong direction, accelerating renewable energy, improving energy efficiency, conserving forests, building urban resilience and advancing health adaptation. The conference included numerous sessions on the built environment, adaptation, cities, infrastructure, and community resilience. Real estate is at the frontline of climate vulnerability, and every discussion I joined centred on (a) adaptation at both city and residential levels, (b) translating high-level goals into measurable outcomes, and (c) building readiness across systems, sectors, and communities. The key deliverables shaping markets are:

- 1 Belém Call for Action on Sustainable and Affordable Housing was launched: This landmark event signals a pivotal moment for global cooperation on buildings and climate, and for capital allocation.

- 2 Global Framework for Action: Sustainable public procurement to catalyse low-carbon construction.
- 3 Responsible Timber Principles: Bio-based materials like timber can cut emissions by up to 40% by 2050.
- 4 Energy Savings Championship: Doubling energy intensity improvements by 2030, a metric increasingly tied to asset performance.

For investors, resilience is key to preserve value and one of the main takeaways is that capital allocation toward climate-smart housing will define the next decade. In most discussions we were the only real estate manager at the table, bringing valuable insights on how to move on implementation. That demonstrates our expertise in climate-aligned real estate and positioned us as a trusted voice influencing global frameworks. Importantly, COP30's priorities for the built environment, affordable housing, resilience metrics, and adaptation finance, align directly with our investors' critical expectations and with our strategy to future-proof portfolios and access new capital channels.

### Key engagements

- Ministry for Environment and Climate Change of Brazil: Panelist on Solutions Dialogue on Forest Finance on the Road to 2030 (Belém – Blue Zone)
- Participated at the first Ministerial Meeting of the Intergovernmental Council for Buildings and Climate (Belém – Blue Zone)
- Contributed to the COP30 Plan to Accelerate Solutions (PAS) Implementation Workshop, (UNEP & GlobalABC Secretariat. (Belém – Blue Zone)
- World Climate Foundation: Panelist – Buildings That Pay Back – Nature-Positive Design and Materials at Scale (Belém)
- Sustainable Cities and Infrastructure: Deloitte – Panelist (Belém – Green Zone)
- Goal's House Powered by People, Driven by Data: Scaling Intelligence for Net Zero – Participant (Belém)
- Attendee at COP Presidency's Action Agenda programme on Utilising Data, Finance & Collective Action (Belém – Blue Zone)



**Gemma Corrigan**  
Special Advisor

COP30 provided clarity on implementation: we are finally moving from ambition to design and delivery. Two outcomes stood out for investors: the new political and financial momentum behind tropical-forest finance (the Tropical Forests Forever Facility or TFFF) and a more explicit investor convening on scaling capital at the Milken Global Investors' Symposium in São Paulo – both signal that asset owners and managers are aligning behind investible solutions for climate, nature and adaptation.

At this COP, I focused on the intersection of policy, capital mobilisation and stewardship, with particular attention to the financial architecture emerging around forests, oceans, adaptation, and Article 6. With fiscal limits and falling aid, meeting financing gaps will require new blended tools that stack public, philanthropic and private capital efficiently.

The TFFF was launched at COP30 with over US\$5.5bn of initial commitments (including a historic US\$1bn from Brazil) and endorsements from 53 countries (34 tropical-forest countries representing over 90% of tropical forest area).

The Fund is designed as blended finance – public sponsor capital to catalyse large private flows, with an explicit distribution to Indigenous Peoples and Local Communities (≥20% of payouts) and a model that aims to pay countries roughly US\$4/ha financed by a modest spread on investments. These are major structural steps toward re-pricing standing forests as global public assets. This will be an interesting model to watch for protecting other marine ecosystems (One Ocean Finance Facility).

Asset owners are nature curious and looking for nature positive opportunities that deliver risk-adjusted returns and clear benefit-sharing on the ground. The Milken Symposium amplified investor demand signals around adaptation and resilience. This is where asset managers and owners must coordinate: share taxonomies, standardise monitoring, and develop blended structures to get capital flowing from billions to trillions. Federated Hermes has been asked to contribute towards an investor road map in the lead up to COP31.

Federated Hermes participation at COP30 served to further enhance our position as a credible thought leader and knowledge partner. The momentum coming out of COP30 is an invitation to lead: to continue working with policymakers and asset owners to help design blended structures, and to steward companies and sovereigns toward transitions that are credible, investable and value-enhancing.

### Key engagements

- Citi Sustainable Investment Summit 2025
- Panelist – Bloomberg – Biodiversity Credits: Risks and Opportunities
- Boston Consulting Group – Leaders in Sustainable and Catalytic Investing Roundtable
- Bloomberg Philanthropies/ Morphosis – Rise of the Adaptation Economy
- WBCSD/ the Council for Inclusive Capitalism – Blended Finance Solutions for a Just Transition
- Discussant – TNFD – Asking Better Questions on Nature for CIOs
- WWF/ FAIRR – Bridging the Gaps – the Climate Nature and Food Nexus
- Moderator at Milken Institute Global Investors Symposium – Scaling Nature Investment



## Thank you

On behalf of our entire COP team at FHL, I would like to send a special thank you to all of the firms who partnered with us throughout this COP30, creating opportunities for our team members to speak and moderate panels, contribute to roundtables, and join informative discussions across each of Rio, Sao Paolo and Belém. All of which has led to increased collaboration (with both old and new friends), a renewed focus on innovative ways to maximise opportunities and mitigate risks for our clients, and potential for even further innovation across the financial services sector.

I'd also like to extend our thanks to those within FHL who worked tirelessly on our preparations for COP, whether it be procuring housing, adjusting travel schedules, or working to prepare our pre-COP messaging.

Lastly, we owe a very special debt of gratitude to Patrice Berg-Vincent, who flawlessly managed to coordinate our participation in over 100 events (many of which proved to be moving targets), across three cities in 10 days' time.



**Gregory P. Dulski**  
Chief Regulatory Officer &  
Head of Government Affairs

### Federated Hermes COP30 Coverage

- Milken Institute Global Investors Symposium
- Climate Implementation Summit
- PRI in Person 2025
- Rio Parliamentary Green Investment Summit – Hosted by United Nations Industrial Development Organisation & Climate Parliament
- Side event at PRI in Person 2025 – ‘Financing a Just Transition for the Agri-food Sector’, in Brazil, hosted by FAIRR Initiative
- Bloomberg Green Summit
- Scaled: Private Closed Door Roundtable
- Sustainable Innovation Forum at the Climate Action Innovation Zone
- COP30 Blue & Green Zones
- GOALS House
- Ted House
- MSCI
- World Climate Foundation Investment COP
- EY House
- Climate Action House
- IPDD
- OECD







## Federated Hermes

Federated Hermes is a global leader in active, responsible investing.

Guided by our conviction that responsible investing is the best way to create long-term wealth, we provide specialised capabilities across equity, fixed income and private markets, multi-asset and liquidity management strategies, and world-leading stewardship.

Our goals are to help people invest and retire better, to help clients achieve better risk-adjusted returns and, where possible, to contribute to positive outcomes that benefit the wider world.

## Our investment and stewardship capabilities:

- **Active equities:** global and regional
- **Fixed income:** across regions, sectors and the yield curve
- **Liquidity:** solutions driven by five decades of experience
- **Private markets:** private equity, private credit, real estate, infrastructure and natural capital
- **Stewardship:** corporate engagement, proxy voting, policy advocacy

For more information, visit [FederatedHermes.com](https://FederatedHermes.com) or connect with us on social media:  

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