



# 2025 IGCC Summit Decoding the transition

## ‘Thank you for what you’ve done’: **Al Gore**

“We can solve this. We have agency, we have urgency. We need to move forward with more energy.”

Al Gore’s parting message to investors at the IGCC Summit was one of optimism — that decision makers will choose “the hard right over the easy wrong” and stay the course to deliver on pledged emissions reductions.

Delivering slide after slide showing the devastation already being wreaked on the world by climate change, Gore said the TV news was now “like a major hike through the Book of Revelation”, and it was important not to normalise catastrophic weather events.

“We’re wired to do that, but we have to recognise that in our lifetimes there are things happening that are consequential for all generations to come, unless we can act.”

Gore acknowledged the work already done, and the work left to do.

“Twenty years ago it took a year to install one gigawatt of solar. Now it takes 15 hours to install a gigawatt of solar.

“One year before the historic Paris Agreement, 2015, electricity from solar and wind was cheaper than from new coal plants in only 1% of the world. Only five years later, it was cheaper in two thirds of the world, and within the next couple of years it’s going to

be cheaper in 99% of the world, so we can do this, particularly in the power generation sector.

**“There is a group of investors in Australia expanding into the Asian region who have helped to lead this charge.**

I thank you for what you’ve done for 20 years, and I thank you for what you have in store in the days and years going forward.

“This is the biggest challenge of our lives. You’re in the right place at the right time, in the right country, in the right industry. You have already demonstrated what you can do.”

On the work left to do list: getting rid of the “energy colonialism” that sees developing countries paying more to finance clean energy, and removing billions of dollars of stubborn fossil fuel subsidies.

“If we get to true net zero, then the temperatures on the earth will stop going up almost immediately,” Gore said.

“The thermostat is under our control. It’s not a round knob on the wall. It’s a set of policies and subsidies and laws.”



All images by Melissa Hobbs Photography

Al Gore, Founding Partner and Chairman,  
Generation Investment Management

# When the market meets the planet

The 2020s “will be looked back on as the decade which either makes or breaks our ability to live safely on this planet,” climate scientist Joëlle Gergis told the Summit.

But a “tragedy of misalignment of horizon”, sees investors failing to factor even the “here and now” climate risk into their decisions, said Funds SA Chair Guy Debelle.

Investment cycles remain mired in the past - seven years for venture capital, and at the other end, incumbents with 50 year capital cycles that are at the end of the depreciation schedule, against which new technology for industrial decarbonisation needs upwards of \$1 billion just to deliver a pilot, said serial entrepreneur Saul Griffith.

“All of these projects are difficult to finance with traditional venture, even traditional downstream capital...And how do you really make these investments that look like 20,30, 40, 50-year investments in a climate where there will be a lot of competition from very noisy, very profitable things like AI?”

“We really need to figure out how to...break the rules of traditional capital that’s chasing faster, higher returns and think about investing in things that are necessary and inevitable, ...

**and then that’s going to rely on us, honestly, leaning more into science and away from Silicon Valley.”**

Closer to home, HESTA head of portfolio management Jeff Brunton told the Summit the group was keen to revisit, as flagged by the government, the Your Future Your Super performance test.

Such reform has the support of Climate Change Authority Chair Matt Kean who said “Whilst there’s no shortage of capital available from Australians through their pension funds, there is a great shortage of that capital going to the businesses of tomorrow”.

“And the place to start on that side of things is addressing the performance test, super rules that are too proscriptive, incentivise benchmark hugging and provide no reason for people like Jeff to go and invest in something like a battery manufacturing business.”

**Gergis pointed to International Energy Agency forecasts that between 50 and 80 per cent of the emissions reductions required by 2030 could be achieved with technology that’s already available. It’s just a case of getting on with the job.**

L-R: Bernie Hobbs, Award-winning Science Writer and Broadcaster; Dr Guy Debelle, Chair, FundsSA; and Dr Joëlle Gergis, Award-winning Climate Scientist and Writer, University of Melbourne



## Decoding the transition

As IGCC CEO Rebecca Mikula-Wright says, Australia isn’t just part of the APAC region, it can be a decarbonising force for the region. “But it’s not going to happen by accident.”

With 20 years of collaboration responding to the uncertainty of climate change, IGCC members are well-placed to deal with the uncertainty of current geopolitics.

The pivot to Asia is already underway, but the opportunity for Australian investors to drive an industrial transformation that puts us at the centre of regional decarbonisation will require serious systems thinking and coordination.

The leaders at this year’s IGCC Summit have the keys to decode the transition, and in this event summary we share their actionable insights with the aim of continuing the discussion and fostering the collaboration necessary to propel us to the next growth phase.



Dr Joëlle Gergis, Award-winning  
Climate Scientist and Writer,  
University of Melbourne

## Expert view from climate scientist Joëlle Gergis

“We need a 43% reduction by 2030 in global emissions. But if you look at policies currently in place, we’re only on track for 2% of that, not that 43% that’s needed. So right now, if we just continue on the track that we’re on, we’re looking at global warming in the order of around 3.6 degrees.

If you think of two degrees of global warming, what that starts to mean in a country like Australia is 50 degree summer temperatures, by three degrees that becomes an average summer in parts of southern Australia.

When we had our black summer bushfires in 2019/2020, that broke every record in the book, and it’s a global record for the extent of a wildfire. But that becomes an average summer by 2040 and a cool summer by 2060 - that’s at two degrees.

So 82% of our emissions come from the burning of coal, oil and gas. And right now we haven’t turned the tap off, so as long as that tap is on, we are flooding the atmosphere and the ocean with carbon that it just can’t absorb.”

# 43%

REDUCTION IN GLOBAL  
EMISSIONS NEEDED BY 2030

# 2%

CURRENT PROGRESS  
TOWARD THAT TARGET

# 3.6°

EXPECTED GLOBAL WARMING  
ON CURRENT PATH

# 82%

GLOBAL EMISSIONS FROM  
COAL, OIL AND GAS

## The bottom line

A hit to GDP of 9% and the Reserve Bank being unable to meet its inflation targets - that’s the fallout from a warming climate as modelled by risk advisers Ortec Finance.

Its latest report models the risk to the 30 largest Australian superannuation funds from a failed transition that sees a global temperature rise of 3.7°C by 2100.

In this scenario, 0.5 percentage points are added to annual inflation expectations and 6% of value cut from super funds by 2035. Australian GDP would fall 9% below current expectations by 2050.

As the cost of climate disasters grows, Ortec Finance APAC Lead for climate scenarios Dr Bronwyn Claire told the Summit, conventional mechanisms used by the Reserve Bank to bring down inflation may no longer work.

“Inflation becomes a problem because when you’re starting to think about the level of disasters, the cost associated with those, is the Reserve Bank going to be able to maintain its target?”



## Climate governance for beleaguered boards

Boards in the middle of the shift from climate ambition to execution are feeling overwhelmed, at the same time as the climate risks they must grapple with are rising.

“As an ex general counsel, company secretary and then on boards for 15 years I have never seen the agenda so full,” Non-executive Director Sarah Zeljko told the Summit.

“Everything from AI, cyber, modern slavery, psychological safety, and then your board activities — to try and find a space for some of the important issues that this room wants to talk about is harder than ever before — but that doesn’t mean that it shouldn’t be done.”

In her former board role at Energy Queensland, Zeljko said climate resilience issues had become so frequent “we were becoming a disaster management company rather than a poles and wires business”.

And yet the level of understanding about systemic physical risk and its impact on operating companies is pretty low at the moment, said Zoe Whitton, Managing Director of Pollination, who also serves on the boards of the IGCC and Net Zero Economy Authority.

“It’s better than it was, but certainly needs to continue to pick up,” Whitton said.

Meanwhile, fears over being sued for greenwashing are leading some boards to disclose less, said Geoff Summerhayes, who serves on the board of insurer Zurich Australia.

“There has been a shift in the last couple of years where people have pulled their head in.”

Alison Ewings, General Manager of ESG at investment manager QIC said it was important to remember

**“The objective of this is about climate competency, not disclosure competency”.**

“Boards at the moment are forced to put a huge amount of their attention into disclosure rather than into activity”, said Whitton, “but we will get through this... we’re building what boards need to be competent and we’ll get to a point where it’s not quite as intense.”

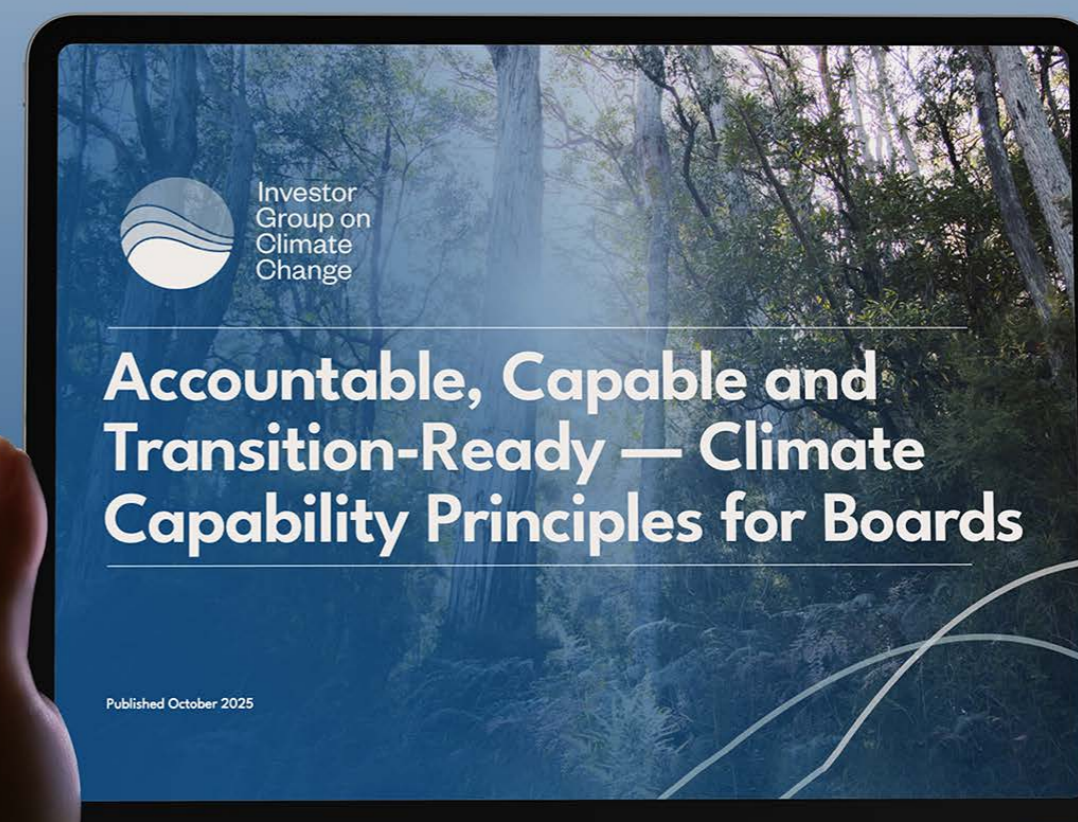


ACTIONABLE INSIGHTS

## New resource for stewardship teams and board directors

IGCC’s Climate Capability for Boards report sets out what good climate governance looks like — and how investors can assess and engage company boards on transition readiness.

[Read the report](#)





L-R: Susheela Peres da Costa, Principal, The Stewardship Centre; Tanya Hodgson, Associate Director, ARENA; Kate Nelson, Head of Sustainability, Global Investment Management, Lendlease; Hudson Worsley, Chair, Materials and Embodied Carbon Leaders Alliance; and Sue Lyn Stubbs, Associate Director, Sustainable Investing, Fidelity International

## Nailing the green iron and steel opportunity

“We should be nailing green iron,” Funds SA Chair and former Reserve Bank Deputy Governor Guy Debelle told the Summit, but instead Saudi Arabia is investing ahead of Australia “because they’re looking beyond the horizon where they’re earning revenue”.

Meanwhile, investors in many other markets continue to seek faster payoffs.

**“We’re talking about industrial processes that involve really long lead times for investment.**

We’re talking about entire economies,” said Sue Lyn Stubbs, Associate Director of Sustainable Investing at Fidelity International.

This calls for a systems stewardship approach, she said, that recognises there’s no one answer to a problem that is “fundamentally intertwined with human civilization”.

Investment in early-stage ventures is coming from the Australian Renewable Energy Agency (ARENA). The group received an additional \$750 million this year to invest through the [Future Made in Australia Innovation Fund](#). ↻

Its “sweet spot” according to ARENA Associate Director Tanya Hodgson is pilot-scale demonstration and deployment. “And it could be because you’re still proving the viability of that technology, or because the economics just don’t stack up.”

Hodgson said while everyone was talking about the green iron opportunity as “a slam dunk for Australia”, there was some important nuance to consider given Australia’s iron ore is more suited to common steel making and not as compatible with mature green iron making processes that rely on higher-grade ores.

Another issue still to be addressed is that of stewardship.

“We don’t have a universal definition of green iron or green steel,” Hodgson said, which is needed to help build supply and demand.

“You can’t tackle this from an individual company perspective because you can’t invest in a company that’s going to make green iron in isolation, because this is such an intertwined, complicated supply chain.

“Everybody has to be talking the same language, and then you have to certify that product so that that product has demand and so that you can sell it.”

Despite the work to be done, Hodgson said she was excited about the opportunities ahead.

“There’s no such thing as a zero-risk investment and this is an investment opportunity.”

To continue the momentum, Climate Change Authority Chair Matt Kean said the innovative public policy approach of the energy sector’s Capacity Investment Scheme or the NSW Long-Term Energy Energy Service Agreement (LTESA) scheme could be applied to other sectors, including green steel.

“So de-risk for long term cash flows, and make it like a CFD-style instrument.”

## Actionable insights for policymakers



Continue supporting the development and demonstration of green steel technologies, with a focus on addressing the compatibility of Australian iron ore.



Explore opportunities for collaborative engagement on systems-level issues like decarbonising the steel value chain.



Develop common definitions, standards, and measurement frameworks for embodied carbon in steel and other building materials.



Consider applying investment mechanisms found in energy to help stimulate private investment in green iron and steel technology.

Net zero investment may be under pressure in the US, but “everyone else is open for business” Nathan Fabian told the Summit.

Fabian, who is Chief Sustainable Systems Officer at the UN-supported Principles for

Responsible Investment, said “all throughout Asia, most of Latin America, the Middle East, the continent of Africa, everywhere else has realised that attracting the weight of capital is the way to transform their economies. And so everywhere else is open for business.”

“I think we’ll see that there’s really only one country in the world that wants to prosecute investors, and that’s the United States, and that’s a difficult situation given our exposure, but the truth is this was always going to be an emerging and developing market play anyway on climate. So let’s bite the bullet, let’s start working with these countries, let’s find the ways to allocate our capital.”

Nicholas Moore, Australia’s Special Envoy for Southeast Asia, told the Summit Australia remains underinvested in the region, despite it heading for 10% of global GDP and requiring \$200 billion worth of investment in energy by 2040.

“This is one of the fastest growing regions in the world. It has a huge demand for new energy. At the same time, the governments are all committed to renewable targets, which means the growth is enormous,” Moore said.

## The ‘inconvenient truth’ of US protectionism

With 17 trade missions planned in the next 12 months, Moore’s advice to investors: “If you’re at all interested in the region, get on the plane, go there, there are lots of

initiatives taking place to make it happen.”

Meanwhile, investment continues

to flow in the other direction. “Virtually every country in the region has renewable investments in Australia,” Moore said.

Energy transition investor David Scaysbrook is bullish on the opportunity for Australia left in the wake of the US pivot.

**“The United States is doing more to help Australia’s fundamental competitiveness than we could ever have hoped for,”**

Scaysbrook, who co-founded Quinbrook Infrastructure Partners 10 years ago, told the Summit.

He said while the US was busy putting tariffs on imported technology, the “inconvenient truth” of energy policy in the US was that it was driving up electricity prices by 30%.

“The irony of that is it makes solar incredibly profitable, provided you can build it...and we have the conditions fundamentally necessary to do things quite competitively in Australia.”

David Scaysbrook, Co-Founder and Managing Partner, Quinbrook Infrastructure Partners



Nicholas Moore AO, Australia’s Special Envoy for Southeast Asia



## Interest in becoming an IGCC member?

Contact Marwa Curran,  
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