

Over 450 investors managing \$41 trillion in assets tell governments to get climate policy right and massive investment will flow

10 June 2021 - 457 investors managing more than US\$41 trillion in assets have released a new joint statement to all world governments urging a global race-to-the-top on climate policy and warning that laggards will miss out on trillions of dollars in investment if they aim too low and move too slow. This represents the largest collective assets under management to sign on to a global investor statement to governments on climate change since the first statement in 2009.

The [2021 Global Investor Statement to Governments on the Climate Crisis](#) delivers the strongest-ever investor call for governments to raise their climate ambition and implement meaningful policies, or risk missing out on a massive wave of investment in tackling the climate crisis. In particular, the 2021 statement asks for climate-related financial reporting to not only be improved, but be mandatory, and clearly recognizes the “climate crisis”. It also reflects the devastating impacts of the COVID-19 pandemic, and calls for resilient economic recovery plans that support the just transition to a net-zero emissions future that is underway.

Developed by the seven founding partners of [The Investor Agenda](#), the statement reads: “...We believe that those who set ambitious targets in line with achieving net-zero emissions, and implement consistent national climate policies in the short-to-medium term, will become increasingly attractive investment destinations...Full implementation of the Paris Agreement will create significant investment opportunities in clean technologies, green infrastructure and other assets, products and services needed in this new economy.”

The initial signatories to the 2021 Global Investor Statement have been released ahead of the G7 Summit to encourage further investor advocacy for ambitious climate policy action ahead of the 26th United Nations Climate Conference of the Parties (COP26) in November. The statement will remain open for further institutional investors to sign until COP26 and will be periodically updated with new signatories at key moments throughout 2021.

Signatories to date include some of the world’s largest institutional investors and asset managers (see full list [here](#)). The combined assets under management of the 457 signatories is more than US\$41 trillion, representing an estimated 37 percent of all global assets under management. This includes 51 signatory investors each managing over \$200 billion in assets. It comes as the largest asset managers and asset owners are increasingly pledging to achieve

net-zero emissions across their portfolios by 2050 or sooner and set interim emissions reduction targets.

The investor signatories call on all governments to undertake five priority actions before COP26 in November:

1. Strengthen their Nationally Determined Contributions (NDCs) for 2030 in line with limiting warming to 1.5°C;
2. Commit to a domestic mid-century, net-zero emissions target and outline a pathway with ambitious interim targets including clear decarbonization roadmaps for each carbon-intensive sector;
3. Implement domestic policies to deliver these targets, incentivise private investments in zero-emissions solutions and ensure ambitious pre-2030 action; including: "the removal of fossil fuel subsidies by set deadlines, the phase out of thermal coal-based electricity generation by set deadlines in line with credible 1.5°C temperature pathways, the avoidance of new carbon-intensive infrastructure (e.g. no new coal power plants) and the development of just transition plans for affected workers and communities."
4. Ensure COVID-19 economic recovery plans support the transition to net-zero emissions and enhance resilience; and
5. Commit to implementing mandatory climate risk disclosure requirements aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Many nations already have or have vowed to improve their climate policies, including 2030 emissions reduction targets, through updated NDCs ahead of COP26. However, significant climate policy and finance gaps remain in almost all nations, and the world is currently not on a trajectory to meet the objectives of the Paris Agreement, underscoring the need for further ambition.

Signing the Global Investor Statement to Governments on the Climate Crisis is an action item in the policy advocacy focus area of [The Investor Agenda](#). Launched in 2018 by seven founding partners — [Asia Investor Group on Climate Change](#), [CDP](#), [Ceres](#), [Investor Group on Climate Change](#), [Institutional Investors Group on Climate Change](#), [Principles for Responsible Investment](#) and [UNEP Finance Initiative](#) — The Investor Agenda provides a common leadership agenda on the climate crisis for investors that is unifying, comprehensive, and focused on accelerating investor action for a net-zero emissions economy.

The founding partners of The Investor Agenda are calling on all institutional investors that support increased government ambition on the climate crisis to sign on to the statement via the Investor Agenda [website](#), and are also encouraging investors worldwide to commit to developing comprehensive [investor climate action plans \(ICAPs\)](#) and to aligning their investments with the goal of net-zero emissions by 2050 or sooner, with credible interim targets, among other actions.

Supporting quotes from investors:

New York State Comptroller, Thomas P. DiNapoli, said: “As the world prepares for COP26, investors are committing to net-zero portfolios and persuading corporations to take action and accelerate achievement of the Paris goals. Governments must be a partner in these efforts. By enacting policies that incentivize the transition to a climate resilient, net-zero emissions economy, governments around the world can create a path toward a better future that helps businesses prosper, creates new jobs and expands investment opportunities in climate solutions.”

Michelle Scrimgeour, Chief Executive Officer, Legal & General Investment Management and co-chair of the UK Government’s COP26 Business Leaders Group, said: “Climate change is one of the greatest systemic risks we face today and achieving net-zero by 2050 will be crucial to help steer the world towards a more sustainable future. We will need to see substantial change across industry and society globally to achieve this goal. As long term investors we play a pivotal role, not only in decarbonising investment products on behalf of our clients but also influencing the real economy transition by engaging with and holding businesses accountable on their net-zero transition plans.

“As co-chair of the UK Government’s COP26 Business Leaders Group, I am encouraged by the progress we are already making, though there is still much to be done and we all need to play our part. Inaction is simply not an option.”

Fidelity International Global Head of Stewardship and Sustainable Investing, Jenn-Hui Tan, said: “Climate change is amongst the most pressing threats facing our planet and inevitably poses significant risks to the long-term profitability and sustainability of companies. At Fidelity International, we recognise that now more than ever, we must collaborate and work together as an industry to find the best path to net-zero as fast as possible. Our message is clear; the climate crisis must not and cannot be ignored.”

Asset Management One President and Chief Executive Officer, Akira Sugano, said: “Achieving net-zero emissions by 2050 will require enormous efforts from all companies, as well as from our entire global society. The actions of the private sector are vital, including those of companies, financial institutions and NGOs. However, solving the systemic challenges of climate change will not be feasible without coordinated and ambitious policies from national governments. Ambitious, clear and consistent policies are essential for enabling companies to have greater certainty and confidence in their decision-making. We are committed to continually collaborating with policy makers and fulfilling our role as an asset manager in accelerating the transition to a net-zero society.”

HESTA Chief Executive Officer, Debby Blakey, said: “In Australia, we have an incredible opportunity to attract global investment and draw on the more than \$AUD3 trillion pool of superannuation savings to power a low-carbon transition. But investors need greater certainty provided by stable, long-term policy settings. If we can get a clear, timely path to net-zero, then superannuation funds like HESTA would have significant appetite to invest more in domestic renewable infrastructure and innovative cleantech opportunities.”

State Street Global Advisors Global Chief Investment Officer, Lori Heinel, said: “We are committed to engaging with companies not just on the goal of reaching net-zero, but on how they will get there. The push to net-zero is both urgent and necessary, and equally important is understanding the transition pathways companies will choose to achieve the commitment and deliver value for investors over the long term.”

BNP Paribas Asset Management, Global Head of Sustainability, Jane Ambachtsheer, said: “Policy advocacy by the investment community is a critical success factor for achieving a net-zero future. Through this collective initiative BNP Paribas Asset Management supports and encourages governments to continue to raise their climate ambition ahead of COP26.”

AllianceBernstein Global Head of Responsible Investing, Michelle Dunstan, said: “AllianceBernstein is fully invested in addressing climate change. Through signing this statement, we are engaging collaboratively with other investors to advocate for government action on the key areas of climate policy and to encourage investment in climate resilience.”

Supporting quotes from the founding partners of The Investor Agenda:

Asia Investor Group on Climate Change (AIGCC) Executive Director and Investor Agenda Steering Committee member, Rebecca Mikula-Wright, said: “AIGCC’s analysis shows that the investment opportunities in the Asian energy sector alone from a Paris-aligned transition to net-zero emissions could reach \$37 trillion by 2050 – a century-defining investment theme. By working with investors to put in place robust policies, strong targets and a clear roadmap to reach net-zero emissions, Asian governments can unlock these enormous investment opportunities and the jobs, economic growth and competitive advantage they will bring.”

CDP Chief Executive Officer and Investor Agenda Steering Committee member, Paul Simpson, said: “Achieving the net-zero goal by 2050 or sooner, with interim science-based targets, will only be possible if investors, governments and companies work closely together. Through the Investor Agenda statement, investors around the world have made their voice clearly heard: leadership is needed from every single government to drive action on climate change”.

Ceres Chief Executive Officer and President and Investor Agenda Steering Committee member, Mindy Lubber, said: “Investors know that the impacts of the climate crisis are systemic financial risks, and will worsen, if left unchecked. If a government has weak climate change policies, its national market is a less-attractive destination for billions, if not trillions, of dollars. But if a government gets its climate policies right, then massive investments will flow into its economy and help accelerate a more equitable, just and sustainable net-zero emissions future.”

Investor Group on Climate Change (IGCC) Chairman, Stephen Dunne, said: “Governments can encourage an accelerated allocation of private capital to clean industry and infrastructure by partnering with investors to establish clear policy roadmaps for achieving net-zero emissions by 2050. We have seen recent positive examples of this approach through the establishment of renewable energy zones at the Australian state level, which should be built on nationally across the economy. Getting these roadmaps in place will help ensure sustainable returns for their everyday beneficiaries of super funds and other institutional investors, while positioning the broader economy to seize the opportunities in the net-zero transition.”

Institutional Investors Group on Climate Change (IIGCC) CEO and Investor Agenda Steering Committee member, Stephanie Pfeifer, said: “Much greater ambition is vital if we are to limit climate change to 1.5°C. The world’s leading investors are making it crystal clear they expect governments to show they are committed to tackling the climate crisis. With the right policy in place, countries can unlock the benefits of green growth and the economic competitive advantage this provides. Those that fall short will increasingly be left behind as the race to a cleaner future gathers pace.”

Principles for Responsible Investment (PRI) Chief Executive Officer and Investor Agenda Steering Committee member, Fiona Reynolds, said: “To help unlock the trillions of dollars in investment needed for the net-zero transition, governments should be moving swiftly to price greenhouse gas emissions, end fossil fuel subsidies, deliver an orderly phase-out of coal-power and other high-emitting sources of energy, and ensure a just transition plan for affected workers and communities.”

United Nations Environment Programme Finance Initiative (UNEP FI) Head and Investor Agenda Steering Committee member, Eric Usher, said: “We applaud this renewed momentum from investors and look forward to continuing to support governments across the world as they take meaningful action. Policymaker and regulator signaling helps reinforce the needed market-led, climate-focused capital mobilisation, which is so critical to avoiding the climate crisis.”



About The Investor Agenda

The Investor Agenda is a common leadership agenda on the climate crisis that is unifying, comprehensive, and focused on accelerating investor action for a net-zero emissions economy. The founding partners of The Investor Agenda are seven major groups working with investors: Asia Investor Group on Climate Change, CDP, Ceres, Investor Group on Climate Change, Institutional Investors Group on Climate Change, Principles for Responsible Investment and UNEP Finance Initiative. For more information, visit theinvestoragenda.org and follow [@InvestorAgenda](https://twitter.com/InvestorAgenda).

For media inquiries, please contact: news@theinvestoragenda.org.

The complete text of the *2021 Global Investor Statement to Governments on the Climate Crisis*, including the names of the initial 457 investor signatories managing \$41 trillion in assets, is available on The Investor Agenda website [here](#).

