

**FOR IMMEDIATE RELEASE: 9/18/14**

**World's leading institutional investors managing \$24 trillion  
call for carbon pricing, ambitious global climate deal**

***BlackRock, CalPERS, PensionDanmark, Deutsche,  
South African GEPF, Australian CFSGAM, Cathay Financial Holdings  
among 347 investors urging heads of state to take strong action on climate change***

**NEW YORK CITY** – Days before UN Secretary-General Ban Ki-moon convenes the Climate Summit at the United Nations to spur climate action and facilitate a global climate agreement in 2015, nearly 350 global institutional investors representing over \$24 trillion in assets have called on government leaders to provide stable, reliable and economically meaningful carbon pricing that helps redirect investment commensurate with the scale of the climate change challenge, as well as develop plans to phase out subsidies for fossil fuels.

"Gaps, weaknesses and delays in climate change and clean energy policies will increase the risks to our investments as a result of the physical impacts of climate change, and will increase the likelihood that more radical policy measures will be required to reduce greenhouse gas emissions," [said the statement](#) – the largest of its kind by global investors on climate change. "Stronger political leadership and more ambitious policies are needed in order for us to scale up our investments."

According to the International Energy Agency, the world must invest at least an additional \$1 trillion per year – a Clean Trillion – into clean energy by 2050 if we have any hope of limiting global warming to 2 degrees Celsius and avoiding the worst impacts of climate change on our environment, health and the global economy. Yet global investment in clean energy was just \$254 billion in 2013.

The statement recognizes the role investors play in financing clean energy, outlines the specific steps they are committing to take, and calls on policymakers to take action that supports, rather than limits, investments in clean energy and climate solutions. It was coordinated by the four investor groups on climate change – Ceres' Investor Network on Climate Risk (INCR) in the United States, the European Institutional Investors Group on Climate Change (IIGCC), the Investors Group on Climate Change (IGCC) in Australia and New Zealand, and the Asia Investor Group on Climate Change (AIGCC) – with the United Nations Environment Programme Finance Initiative (UNEP FI) and Principles for Responsible Investment (PRI).

"The perception prevails that we need to choose between economic well-being or climate stability. The truth is that we need both. What is needed is an unprecedented re-channelling of investment from today's economy into the low-carbon economy of tomorrow. Investors are owners of large segments of the global economy as well as custodians of citizens' savings around the world. Having such a critical mass of them demand a transition to the low-carbon

and green economy is exactly the signal Governments need in order to move to ambitious action quickly,” said Achim Steiner, UN Under-Secretary-General and Executive Director of the UN Environment Programme.

“It is significant that the largest institutional investors from around the world are in agreement that unmitigated climate change puts their investments at risk,” said Mindy Lubber, director of INCR and president of the U.S.-based nonprofit sustainability advocacy group, Ceres. “The financial community has a message for heads of state gathering at the United Nations next week: we can’t afford to wait any longer for a climate deal.”

Stephanie Pfeifer, Chief Executive of IIGCC said: “The international investor community has today made it clear that the status quo on climate policy is not acceptable. Investors are taking action on climate change, from direct investment in renewables to company engagement and reducing exposure to carbon risk. But to invest in low carbon energy at the scale we need requires stronger policies. At the UN climate summit next week, policymakers can ensure pockets of climate leadership turn into mainstream actions.”

“Asia presents perhaps the greatest challenges and most significant opportunities in the efforts to transition towards a green economy,” said Alexandra Tracy, Chairman of the Association for Sustainable and Responsible Investment in Asia and Senior Advisor to AIGCC. “Policymakers need to balance difficult trade-offs between a development agenda and environmental concerns, but we see promising moves from governments in the region, such as the measures in China’s most recent Five Year Plan.”

Alongside the statement, the investor groups have [published a report](#) detailing examples of action being taken by investors that support a low carbon, climate resilient economy. While ambitious policy is required in order for low carbon investments to be brought to scale, these examples demonstrate that investors are already acting on climate change in a variety of ways. These activities include direct low carbon investments, the creation of low carbon funds, company engagement, and reducing exposure to fossil fuel and carbon intensive companies.

"Stronger carbon and climate frameworks are needed to catalyze institutional investment," said Fiona Reynolds, managing director of PRI. “The time is now for national governments to overcome the political obstacles that prevent global carbon pricing and hinder long term capital flows into climate mitigation and adaption.”

Examples in the report from both developed and developing countries include:

- Danish pension fund PKA looking to increase its new and existing offshore wind farm investments to €1.5 billion by the end of 2015.
- U.S. insurer and pension fund provider TIAA-CREFF reduces the carbon footprint of its real estate portfolio by 17 percent, cutting 58,000 metric tons of greenhouse gas emissions.
- Swedish pension fund AP4 is committed to decarbonizing its entire \$20 billion listed equities portfolio.
- China Utility-Based Energy Efficiency Finance Program provides loans worth \$790 million, financing 226 projects and reducing emissions by 19 million metric tons of carbon.
- ASN Bank in the Netherlands to become fully carbon-neutral by 2030.
- Zurich Insurance Group to invest up to \$2 billion in green bonds, one of many commitments this year that has resulted in 20-fold growth in green bond market since 2012.
- HSBC Armenia partners with IFC to finance nine small-medium size enterprise energy efficiency projects in Armenia, totaling approximately \$25 million and reducing carbon emissions by more than 6,600 tons per year.
- Global bank ING has in 7 years reduced its energy project loan allocation to coal power from 63 to 13% and increased its allocation to renewable energies from 5 to 39 percent.

In addition, the investor groups have launched a [public online database](#) of select low carbon investments made by asset owners such as pension funds and insurance companies. The Low Carbon Investment Registry identifies how institutional investors are directing capital towards low carbon assets. Asset owners around the world will be encouraged to add examples to the Registry leading up to the climate negotiations in Paris.

“The Low Carbon Investment Registry shows how investors are already supporting the transition to a low carbon economy by investing in a variety of different ways – directly into renewable energy projects, into clean energy funds, through green bonds and through the establishment of public-private-partnerships,” said Nathan Fabian, Chief Executive of IGCC. “It gives policymakers a better understanding of how private capital is currently flowing into low carbon investments.”

Several signatories to the Global Investor Statement on Climate Change are expected to announce significant new individual commitments related to climate risk and low carbon investment at the UN Summit on Climate Change on September 23. For more information, contact [pickering@ceres.org](mailto:pickering@ceres.org) and [NWilliams@IIGCC.org](mailto:NWilliams@IIGCC.org).

[Click here](#) to download a recording of today's press briefing on the statement, featuring Donald MacDonald, BT Pension Scheme trustee director and Chairman of the Institutional Investors Group on Climate Change (Europe); Frank Pegan, CEO Catholic Super and Chair, Investor Group on Climate Change (Australia); David Pitt-Watson, Chair, UN Environment Programme Finance Initiative (UNEP FI); Strategic Advisor, Inflection Point Capital; Assaad Razzouk, Group Chief Executive of Sindicatum Sustainable Resources, Singapore; Asia Investor Group on Climate Change; Anne Simpson, Director of Global Governance for California Public Employees' Retirement System – a member of Ceres' Investor Network on Climate Risk (North America); and Faith Ward, Chief Responsible Investment and Risk Officer, Environment Agency Pension Fund.

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#### **About the Asia Investor Group on Climate Change**

The Asia Investor Group on Climate Change (AIGCC) is an initiative set up by the Association for Sustainable and Responsible Investment in Asia (ASRIA) to create awareness among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy. With a strong international profile and significant network, including pension, sovereign wealth funds insurance companies and fund managers, AIGCC represents the Asian voice in the evolving global discussions on climate change and the transition to a greener economy. Visit <http://aigcc.asria.org/>.

#### **About Ceres' Investor Network on Climate Risk (United States)**

The Investor Network on Climate Risk (INCR) is a North America-focused network of institutional investors dedicated to addressing the financial risks and investment opportunities posed by climate change and other sustainability challenges. INCR currently has more than 110 members representing over \$13 trillion in assets. INCR is a project of Ceres, a nonprofit advocate for sustainability leadership that mobilizes investors, companies and public interest groups to accelerate and expand the adoption of sustainable business practices and solutions to build a healthy global economy. Visit [www.ceres.org](http://www.ceres.org).

#### **About Institutional Investors Group on Climate Change (Europe)**

The Institutional Investors Group on Climate Change (IIGCC) is a forum for collaboration on climate change for investors. IIGCC's network includes over 90 members, with some of the largest pension funds and asset managers in Europe, representing €7.5trillion in assets. IIGCC's mission is to provide investors a common voice to encourage public policies, investment practices and corporate behaviour which address long-term risks and opportunities associated with climate change. Visit [www.iigcc.org](http://www.iigcc.org).

#### **About Investors Group on Climate Change –(Australia/New Zealand)**

IGCC is a collaboration of 52 Australian and New Zealand institutional investors and advisors,

managing approximately \$1 trillion and focusing on the impact that climate change has on the financial value of investments. The IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuants and unit holders. Visit [www.igcc.org.au](http://www.igcc.org.au).

### **About PRI**

The United Nations-supported Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put the six Principles for Responsible Investment into practice. Its goal is to understand the implications of Environmental, Social and Governance issues (ESG) for investors and support signatories to incorporate these issues into their investment decision making and ownership practices. In implementing the Principles, signatories contribute to the development of a more sustainable global financial system. Visit [www.unpri.org](http://www.unpri.org).

### **About UNEP FI**

UNEP FI is a global partnership between UNEP and the financial sector. Over 230 institutions, including banks, insurers and fund managers, work with UNEP to understand the impacts of environmental and social considerations on financial performance. Through its Climate Change Advisory Group (CCAG), UNEP FI aims to understand the roles, potentials and needs of the finance sector in addressing climate change, and to advance the integration of climate change factors - both risks and opportunities – into financial decision-making. Visit [www.unepfi.org](http://www.unepfi.org).