



GLOBAL INVESTOR COALITION ON CLIMATE CHANGE

Global investor groups publish guidance on investing in solutions to address climate change

Solutions guide supports implementation of investors' actions and commitments on climate change

The four investor groups on climate change have today published a guide outlining a range of strategies and solutions investors can use to address climate change, including low carbon investment, managing and reducing carbon exposure in portfolios, and engagement, as investors around the world work to scale up their efforts to invest in clean energy and shift to lower carbon assets.

The investment solutions guide follows last year's *Financial Institutions Taking Action on Climate Change* report, which concluded that there is a need for actions addressing climate change to be more widely integrated into mainstream investment processes.

A joint project of IIGCC in Europe, Ceres' Investor Network on Climate Risk (INCR) in North America, IGCC in Australia/New Zealand and ASRIA's Asia Investor Group on Climate Change (AIGCC), *Climate Change Investment Solutions* focuses on four areas:

- **Strategic review** – actions to integrate climate change into investment beliefs and investment policies.
- **Strategic asset allocation** – actions for measuring and managing the risks and opportunities of climate change within existing asset allocation and through evolving asset allocation over time.
- **Mitigation investment actions** – actions for reducing carbon exposure in portfolios, along with opportunities to invest in low carbon, clean energy and energy efficient assets.
- **Adaptation investment actions** – actions to reduce the vulnerability of existing assets to the physical impacts of climate change as well as building exposure to adaptation solutions.

Actions taken by investors will be central to tackling climate change and shifting the world to a low carbon economy. This guide suggests practical steps investors can take to protect their portfolios from the risks of climate change and seize opportunities arising during the transition to a low carbon economy.

Stephanie Pfeifer, Chief Executive of IIGCC, said: "This guide will help investors embed climate change into core investment processes. By decarbonising portfolios and building exposure to the low carbon economy investors can mitigate climate change risks, capture low carbon growth opportunities and contribute to the low carbon transition."

Chris Davis, Chief of Staff for Ceres' INCR, said: "There are tremendous opportunities associated with investing in clean energy, as well as risks inherent in carbon-intensive portfolios. The

Investment Solutions guide is a tool any investor can use as they strive to protect and grow their investments over the long term.”

Nathan Fabian, Chief Executive of IGCC, said: "Addressing climate change is not as simple as divestment or encouraging governments to fix the problem. This guide is for investors who want to participate in and position for the low carbon transition.”

Jessica Robinson, Chief Executive of AsRIA, said: “In Asia, we urgently need a much greater awareness of how climate risks are impacting on investment portfolios. But this is about more than just understanding the risks. The speed of change in Asia is dramatic and the opportunities associated with the transition to low carbon and clean energy growth models are abundant. Asia based investors can leverage this invaluable guide to take tangible and practical steps towards realizing these investment opportunities.”

In September last year 367 investors managing over \$24 trillion in assets called on world leaders to reach a strong climate deal at COP21 in Paris, and some of those investors announced new commitments to invest in clean energy solutions. This guide aims to support the implementation of current and future efforts. For more information, visit www.globalinvestorcoalition.org

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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 100 members, with some of the largest pension funds and asset managers in Europe, representing €10trillion 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

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 non-profit 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

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

IGCC is a collaboration of 55 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

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>