

24 August 2016

**Dear G20 Leaders:**

**The signatories to this letter are 130 investors with more than USD 13 trillion in combined assets under management.**

The Paris Agreement on climate change provides a clear signal to investors that the transition to the low-carbon, clean energy economy is inevitable and already underway. Governments have a responsibility to work with the private sector to ensure that this transition happens fast enough to catalyse the significant investment required to achieve the Paris Agreement's goals including:

- Holding the increase in the global average temperature to well below 2°C above pre-industrial levels, and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, and
- Achieving net zero greenhouse gas emissions (“a balance between anthropogenic emissions by sources and removals by sinks of GHGs”) in the second half of the century.

With that in mind we offer the following recommendations:

1. **Complete your process for joining/ratifying the Paris agreement in 2016 if possible.** Countries that join/ratify the Paris Agreement early will benefit from increased policy certainty, will be better able to attract investment in low- and zero-carbon solutions, and will accelerate the implementation of this economically and socially critical agreement.
2. **Implement the 2015 [Global Investor Statement on Climate Change](#)'s recommendations for governments**, including: ■ Provide stable, reliable and economically meaningful carbon pricing that helps redirect investment commensurate with the scale of the climate change challenge. ■ Strengthen regulatory support for energy efficiency and renewable energy, where this is needed to facilitate deployment. ■ Support innovation in and deployment of low-carbon technologies, including financing clean energy research and development. ■ Develop plans to phase out subsidies for fossil fuels. ■ Ensure that national adaptation strategies are structured to deliver investment. ■ Consider the effect of unintended constraints from financial regulations on investments in low-carbon technologies and in climate resilience.
3. **Support a doubling of global investment in clean energy by 2020**, as called for by the UN Secretary-General in January 2016 (remarks [here](#)). The private sector can provide much of this investment, but needs policy support to meet these goals.
4. **Prioritize implementation of, and prepare to strengthen, your nationally determined contributions** with the goal of ensuring all G20 nations meet their commitments and raise their climate ambition during 2018 to achieve the Paris Agreement's goals.

5. **Prioritize rulemaking by national financial regulators to require disclosure of material climate risks.** We believe financial regulators should regularly evaluate the quality of corporate climate disclosures, as part of a process of integrating climate-related financial reporting into national policy frameworks. Improving the quality of climate-related financial disclosure, and aligning it between different jurisdictions to the extent possible, is necessary to provide decision-useful information to investors, policy-makers, and the wider community. Our organizations have been engaging with the Financial Stability Board’s Task Force on Climate-related Financial Disclosure (TCFD), with several of our members represented on the task force. We applaud the G20 and the FSB on its commitment to improving disclosure of material climate risks, and encourage G20 nations to consider the TCFD’s forthcoming recommendations in December 2016, as inputs towards any rulemaking.
  
6. **Welcome the work of the G20 green finance study group,** which aims to enhance the contribution of institutional investors to the greening of mainstream financial flows. We believe that the green finance study group’s conclusions should be presented at the G20 Leaders’ Summit in 2016, and we request that the green finance agenda be taken forward by future G20 presidencies.

Thank you for your consideration of these recommendations. If you have questions or would like to schedule a time to discuss our recommendations, please contact a staff member at one of the organizations that co-sponsored this letter: CDP (James Hulse at james.hulse@cdp.net), Ceres Investor Network on Climate Risk (Mindy Lubber at lubber@ceres.org), Institutional Investors Group on Climate Change (Stephanie Pfeifer at spfeifer@iigcc.org), Investor Group on Climate Change (Emma Herd at emma.herd@igcc.org.au), or Principles for Responsible Investment (Sagarika Chatterjee at sagarika.chatterjee@unpri.org).

With kind regards,

ACTIAM  
Aegon NV  
Alberta Investment Management Corporation (AIMCo)  
Amundi  
AMP Capital  
AP1 First Swedish National Pension Fund  
AP2 Second Swedish National Pension Fund  
AP3 Third Swedish National Pension Fund  
AP4 Fourth Swedish National Pension Fund  
AP7 Seventh Swedish National Pension Fund  
Archbishops' Council  
Armstrong Asset Management  
ATP  
Australian Ethical Investment  
AustralianSuper  
Aviva Investors  
AXA  
AXA IM  
Baldwin Brothers Inc.  
Bank J. Safra Sarasin

Bayerische Versorgungskammer  
Bedfordshire Pension Fund  
BMO Global Asset Management  
BNP Paribas Investment Partners  
Brawn Capital  
Brown University Sustainable Investment Fund  
BT Pension Scheme  
California Public Employees' Retirement System (CalPERS)  
California State Teachers' Retirement System (CalSTRS)  
Cathay Financial Holding Co., Ltd.  
Catholic Super  
CBRE Global Investors  
Cbus Super  
CCLA  
Central Finance Board of the Methodist Church  
Christian Brothers Investment Services  
Christian Super  
Christopher Reynolds Foundation  
Church Commissioners for England  
Church of England Pensions Board  
Church of Sweden  
Connecticut Retirement Plans and Trust Funds  
Dana Investment Advisors  
Danske Bank Asset Management  
Danske Civil- og Akademiingeniørers Pensionskasse  
Deutsche Asset Management  
Dragon Capital  
EdenTree Investment Management Ltd.  
Encourage Capital  
Environment Agency Pension Fund  
Epworth Investment Management Ltd  
ERAFP  
ESSSuper  
ETF Partners  
Eureka Funds Management  
First Affirmative Financial Network  
Friends Fiduciary Corporation  
Friends Provident Charitable Foundation  
FRR - Fonds de Réserve pour les Retraites  
Greater Manchester Pension Fund  
Henderson Global Investors  
Hermes Investment Management  
HESTA  
HSBC Global Asset Management  
IFM Investors  
Impax Asset Management  
Inflection Point Capital Management  
Insight Investment  
Jesuits in Britain

Juristernes og Økonomernes Pensionskasse  
Kempen Capital Management  
L&G Investment Management  
Local Government Super  
London Pensions Fund Authority  
Mercer  
Merseyside Pension Fund  
Miller/Howard Investments, Inc.  
Mirova  
MN  
Nanuk Asset Management Pty Ltd  
Natixis Asset Management  
NEI Investments  
New York City Comptroller  
New York State Common Retirement Fund  
New Zealand Superannuation Fund  
NextEnergy Capital  
Nordea Wealth Management  
North East Scotland Pension Fund  
OFI  
Ohman  
Old Mutual Global Investors  
Ontario Teachers' Pension Plan  
OPTrust  
Oregon State Treasurer  
Pax World Management LLC  
PensionDanmark  
PGGM  
PKA  
Plater Trust  
Railpen Investments  
Rathbone Greenbank Investments  
Representative Body of the Church of Ireland  
Reynders, McVeigh Capital Management  
Robeco  
Russell Investments  
Sisters of St. Dominic of Caldwell, New Jersey  
Sonen Capital  
South Yorkshire Pensions Authority  
Stafford Sustainable Capital  
Statewide Super  
Tellus Mater Foundation  
Temporis Capital LLP  
The Barrow Cadbury Trust  
The Joseph Rowntree Charitable Trust  
The Pensions Trust  
The Sustainability Group at Loring, Wolcott and Coolidge  
The United Reformed Church  
Trillium Asset Management

Trustees of Amherst College  
Unipension FAIF A/S  
Unitarian Universalist Association  
USS  
Veris Wealth Partners  
VicSuper  
Vision Super Pty Ltd  
Walden Asset Management  
Wespath Benefits and Investments  
West Midlands Pension Fund  
West Yorkshire Pension Fund  
WHEB