



From Policy to Action: how business and investors can reach climate neutrality

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THE INVESTOR VOICE ON CLIMATE CHANGE

Why investors are engaged on climate change

The benefits of action hugely outweigh the costs of inaction:

- Maximising investment opportunities

Without greater action: long-term temperature rises of $\sim 4^{\circ}\text{C}$ =
\$23 trillion
of global economic losses over next 80 years

- Safeguarding of investments

Greater action: climate change could deliver
\$26 trillion
in global economic benefit to 2030



Green investments can provide strong returns

- PKA experience demonstrates that these objectives are mutually reinforcing
- Pension beneficiaries want to retire into a sustainable world



Investors can learn by doing

- Early green investments have allowed capacity-building and expansion into new sectors and regions
- PKA now has 8% of funds in green investments



A step change in low-carbon investment

- Danish pledge at the UN Secretary General's Climate Summit in New York with the Danish Prime Minister and the Danish pension sector.
- Danish pension funds with new commitments of additional \$50 billion to green investments from 2020 to 2030.
- Climate Investment Coalition: the Danish government, Insurance & Pension Denmark, IIGCC and World Climate Ltd.
- In 2020: scaling up and internationalising to raise a global ambition for COP26 in Glasgow and beyond.



 REUTERS

Danish pension funds back 'green transition' with \$50 billion



Strong policy frameworks drive investment

- Ambitious and concrete objectives
- Ensure that policy supports green, investable projects

EU must build on its strong track record

- 2030 climate and energy package has driven significant investment in EU
- Essential now to set a climate neutrality target for the EU for 2050

Green New Deal: clear delivery plan

- All relevant EU instruments need to align to the new 2050 objective – including 2030 targets
- We need change now





- Clear policy frameworks are key to turning ambitious goals and objectives into investable projects
- Investors are ready and willing to unlock further capital
- Vital to urgently work together to realise the vision of a low-carbon and climate-resilient future

Thank you



IIGCC
The Institutional Investors
Group on Climate Change

