

An aerial photograph of several large, white icebergs floating in dark teal water. The icebergs have jagged, broken edges and some internal layering visible. The water is a deep, vibrant blue-green color.

IIGCC

The Institutional Investors
Group on Climate Change

IIGCC ANNUAL REPORT

YEAR IN REVIEW 2021

OUR MISSION

Our mission is to support and enable the investment community in driving significant and real progress by 2030 towards a net zero and resilient future. This will be achieved through capital allocation decisions, stewardship and successful engagement with companies, policy makers and fellow investors.

CONTENTS

Dear Members	4–5
About IIGCC	6–7
Key Highlights	8–15
20 Years of IIGCC	16–19
Corporate	20–23
Investor Practices	24–27
Policy	28–31
Priorities for 2022	32–37
IIGCC Team / Board	38–41
Membership	42–45
Member Benefits	46–47
External Supporters	48–49



Faith Ward
Chair of the Board

“I am encouraged by some of the progress made during the last month. We have seen significant commitments from governments to halt deforestation, reduce methane pollution and shift away from reliance on fossil fuels.”

When I took on this role as Chair of the Institutional Investors Group on Climate Change (IIGCC) Board a year ago, I knew that we were entering a landmark year for the fight against climate change, but it has exceeded my expectations both in terms of its significance and the commitments made.

The Intergovernmental Panel on Climate Change published its sixth assessment report on climate change in August, decisively highlighting the extent of human influence on the warming of the atmosphere, ocean, and land, causing widespread and rapid changes to the climate. The IPCC anticipated that temperatures would continue to rise based on current emissions scenarios, and that global warming could exceed 1.5°C by as early as 2040 unless significant emissions reductions in emissions occur in the coming decades.

Meanwhile, the International Energy Agency (IEA) followed up on the publication of its landmark Net Zero Emissions by 2050 Scenario in May, with a World Energy Outlook that highlighted that we still have a long way to go to align with that scenario. While a clean energy economy is emerging globally, progress is slow and has stalled completely in some areas, in the wake of the Covid-19 pandemic.

Against that backdrop, and having only recently returned from COP26 in Glasgow, I am reminded once more of the urgent and critical nature of the challenge we have ahead of us. Commitments made by governments in the run up to COP26 have moved the needle slightly – from 2.7°C to somewhere between 1.8°C and 2.4°C, but we still have some way to go.

However, I am encouraged by some of the progress made during the last month. We have seen significant commitments from governments to halt deforestation, reduce methane pollution and shift away from reliance on fossil fuels. An agreement between China and the US on tackling climate change would’ve seemed unthinkable even this time last year, and most importantly, a decision as part of the Glasgow Climate Pact gives countries the opportunity to extend their ambition by COP27 at the end of next year.

The work that IIGCC is doing has been and continues to be incredibly important in this context – it is a powerful catalyst for change and continues to drive real, meaningful progress. All that IIGCC has achieved this year would not be possible without the dedication and hard work of the Board, Stephanie and the IIGCC team. Thank you all for your fantastic contribution.



Stephanie Pfeifer
CEO

“Looking to the year ahead, we will continue to focus on mobilising net zero commitments from investors and corporates, encouraging and supporting them with planning and implementation and working to expand the methodologies available to facilitate the achievement of those commitments.”

2021 has been a landmark year for IIGCC, and one that has kept our growing team particularly busy. Looking back at my remarks from previous annual reports, this seems to have been a consistent theme in recent years, but one that has been even more evident over the last twelve months.

As momentum built towards COP26 in Glasgow, we were focused on collaborating with members and partners to mobilise net zero commitments from investors and the companies that they invest in, support the process of translating that ambition into real, tangible action, and advocate for a policy environment that is fully supportive of delivering a net zero and resilient future.

Looking back now, I think it is safe to say that we have made significant progress. Three of our collaborative initiatives – the Net Zero Asset Managers initiative, Climate Action 100+ and the Investor Agenda’s Global Investor Statement to Governments on the Climate Crisis – each now represent around half of all global assets under management.

The Net Zero Asset Managers’ initiative and Paris Aligned Asset Owners group have brought together 270 asset managers and owners, all committed to aligning their portfolios with achieving net zero by 2050 or sooner and setting interim targets to reduce emissions. Continued engagement via the Climate Action 100+ collaborative investor engagement

initiative has resulted in 110 of the 167 focus companies setting a net zero emissions target – up from 34 this time last year.

Meanwhile, the Investor Agenda successfully brought together more than 700 investors to make the strongest ever call to governments for climate action ahead of COP26. The asks within the statement, which include an end to fossil fuel subsidies, phase out of coal and mandated climate risk disclosure, were at least partially met in the resulting Glasgow Climate Pact.

Looking to the year ahead, we will continue to focus on mobilising net zero commitments from investors and corporates, encouraging and supporting them with planning and implementation and working to expand the methodologies available to facilitate the achievement of those commitments. In addition, we will continue to engage with policymakers and governments to call for ambitious climate action and develop our work on some key themes including adaptation, resilience and nature.

While there undoubtedly remains much more to do and we will continue to stay focused on our mission to drive progress towards a net zero future in 2022, I would like to take this opportunity to celebrate all that we have achieved so far. Thank you to Faith for her leadership as Chair, the Board, our team and our members, whose continued engagement, hard work, and commitment is key to our ongoing success.

ABOUT IIGCC

The Institutional Investors Group on Climate Change (IIGCC) is the leading European membership body enabling the investment community to drive significant and real progress by 2030 towards a net zero and resilient future.

IIGCC's 360 members representing €50 trillion AUM are in a position to catalyse real world change through their capital allocation decisions, stewardship and engagement with companies and the wider market as well as through their policy advocacy.

IIGCC has three clear areas of focus: policy, investor practices and corporate engagement reflecting the key investor levers for change. The programme teams work in strategic partnership with investors supporting, enabling and showcasing their role in the realisation of the transition to net zero in support of the goals of the Paris Agreement.

For more information visit www.iigcc.org or follow us on [Twitter](#) or [LinkedIn](#).

2021 IN NUMBERS

36%

Growth in membership

45

Events held

270

Investors committed to net zero

110

Net zero commitments from Climate Action
100+ focus companies

7

New publications

12

Consultation responses

15K

Media articles for IIGCC or associated initiatives

1.0M

Audience reach on Twitter

96,000

Visits to IIGCC's website

Key highlights from 2020 – 2021



HIGHLIGHTS

November



Investor expectations for Paris-Aligned Accounts

38 investors collectively representing USD 9.3 trillion in assets sent letters to 36 of Europe's largest companies to set out the steps that they require in preparing 'Paris-aligned' company accounts. The publication also outlined expectations of auditors where accounts are ignoring material climate risks.

Net zero energy event as part of the UNFCCC's Race to Zero Dialogues programme

The network partners responsible for Climate Action 100+ provided an opportunity for participants in the UNFCCC's Race to Zero Dialogues programme to hear from leaders in the energy sector as they discussed the actions needed to accelerate progress to net zero business strategies.

December



Launch of the Net Zero Asset Managers initiative

Launched at the 2020 Climate Ambition Summit, co-hosted by the UK COP26 Presidency, the UN and France in the run up to COP26, 30 founding investor signatories representing over USD 9 trillion in assets joined the Net Zero Asset Managers initiative, committing to working in collaboration with their clients to achieve net zero across their portfolios by 2050 or sooner.

Response to EU Taxonomy consultation

In November, the European Commission published draft regulations for the first two objectives under the EU Taxonomy, focused on climate change migration and adaptation. IIGCC published its response to the consultation in December.

January



Member webinar: Accelerating the transition to clean energy

Ahead of COP26 later in the year, and in the context of the UK's Presidency, IIGCC provided members with a briefing on the energy transition and finance campaigns and an update on the Powering Past Coal Alliance.

February



Member webinar: IIGCC impact and forward look to 2021

Looking ahead to 2021, the IIGCC team shared an update on key strategic priorities and the achievements to date, providing attendees with the opportunity to learn more about activity across the three programme areas and how they relate to broader investor priorities on climate change.

Letter to the UK Prime Minister on Cumbrian coal mine

31 investors with more than £2 trillion in assets under management wrote to the UK government about the planned new coking coal mine in Cumbria and called for the timetable for the phase out of all coal developments in the UK to be set.

March



Launch of the Net Zero Investment Framework

IIGCC launched a framework to support investors in maximising their contribution to the decarbonisation of the global economy by ensuring their portfolios are aligned with net zero emissions. In conjunction with the launch of the framework, 22 asset owners with USD 1.2 trillion in assets committed to aligning with net zero by 2050 or sooner as part of the Paris Aligned Asset Owners group, and the Paris Aligned Investment Initiative expanded into a global collaboration with three other network partners.

Launch of Climate Action 100+ Net-Zero Company Benchmark

Climate Action 100+, the world's largest investor engagement initiative on climate change, released its first ever benchmark evaluating the corporate ambition and action of the world's largest greenhouse gas emitters. The benchmark offered detailed comparative assessments of company performance against key indicators.

IIGCC represented at the IEA-COP26 Net Zero Summit

IIGCC joined international energy and climate leaders from around the world to discuss how to accelerate the momentum behind clean energy and examine how countries can work together more effectively to reduce their greenhouse gas emissions to net zero in line with shared international goals.

April



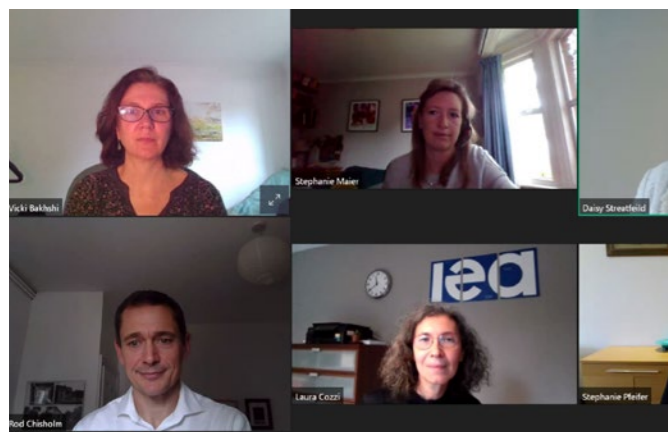
Investor expectations for banks

35 investors collectively representing USD 11 trillion in assets supported a set of investor expectations for the banking sector, laying out areas for action in order for banks to reduce financing of high carbon activities and support the transition towards net zero by 2050.

Net Zero Asset Managers initiative triples its assets under management with third wave of signatories

The Net Zero Asset Managers initiative tripled its assets under management as 43 new investor signatories commit to working together with clients to achieve 2030 emissions reduction targets and reach net zero by 2050 or sooner.

May



Member webinar: Investor priorities for UK Infrastructure Bank

Following the spring Budget announcement in the UK where Chancellor Rishi Sunak set out details regarding the new UK Infrastructure Bank, IIGCC hosted a member webinar with HM Treasury to discuss investor priorities.

June



Launch of 2021 Global Investor Statement

Over 450 investors managing more than USD 41 trillion in assets released a joint statement to 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.

Member webinar: the IEA's Global Roadmap to Net Zero

Following the publication of the IEA's roadmap to net zero emissions by 2050, IIGCC was delighted to welcome Fatih Birol, Executive Director of the IEA, for a conversation about the roadmap and its implications for investors, companies and policymakers followed by a presentation of the IEA's NZE2050 model.

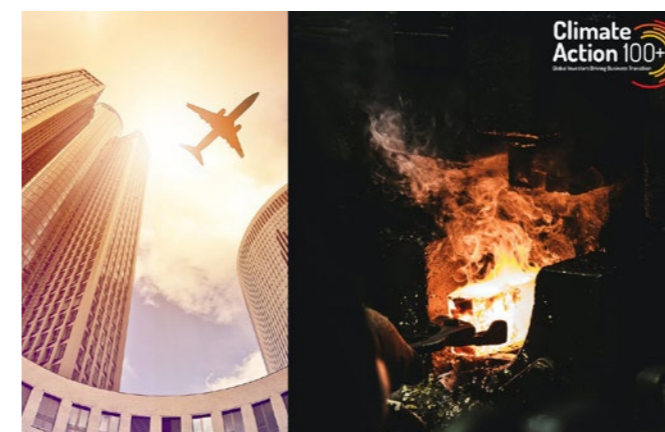
July



Investor position statement calling for corporate net zero transition plans

53 investors managing more than USD 14 trillion in assets supported a position statement calling for corporate governance measures to ensure shareholders can hold companies to account as they implement commitments to align with net zero.

August



Climate Action 100+: Global Sector Strategy on Steel

As one of the network partners responsible for the Climate Action 100+ investor engagement initiative, IIGCC led on the publication of a sector strategy for steel, outlining priority actions for steel producers and others in the value chain to align the industry with the Paris Agreement.

September



Net Zero Standard for Oil and Gas Companies

A group of investors representing USD 10.4 trillion set out minimum expectations for what must be included in net zero transition plans from oil and gas companies, creating a level playing field in corporate reporting and ensuring comparability between company plans.

Investor expectations on Physical Risk

Over 50 investors representing USD 10 trillion in collective assets supported a clear set of expectations setting out how companies should demonstrate that they are addressing physical climate risks and calling upon 50 highly exposed companies to properly identify and respond to the risk posed to their businesses by climate change.

Growth of the Paris Aligned Asset Owners group

The Paris Aligned Asset Owners group grew to 40 investors with combined assets under management of USD 2.35 trillion committing to achieving net zero portfolio emissions by 2050 or sooner. New joiners included the first Australian signatory as well as a number of Danish and UK pension funds.

October



Climate Action 100+: Global Sector Strategy on Power Utilities

IIGCC published a second sector strategy as part of Climate Action 100+, focusing on decarbonisation expectations for electric utility companies and outlining priority actions for companies to remain within limited emissions budget set by the IEA.

Final publication of 2021 Global Investor Statement ahead of COP26

Over 700 signatories representing USD 52 trillion in assets issued the strongest ever unified call for governments to end fossil fuel subsidies, phase out coal, and mandate climate risk disclosure in a final plea ahead of COP26.

IIGCC represented at the first EU Sustainable Investment Summit

IIGCC joined the Asian Development Bank, Assicurazioni Generali and the European Commission for a discussion on public-private partnerships as a mechanism to mobilise private investments for public good.

November

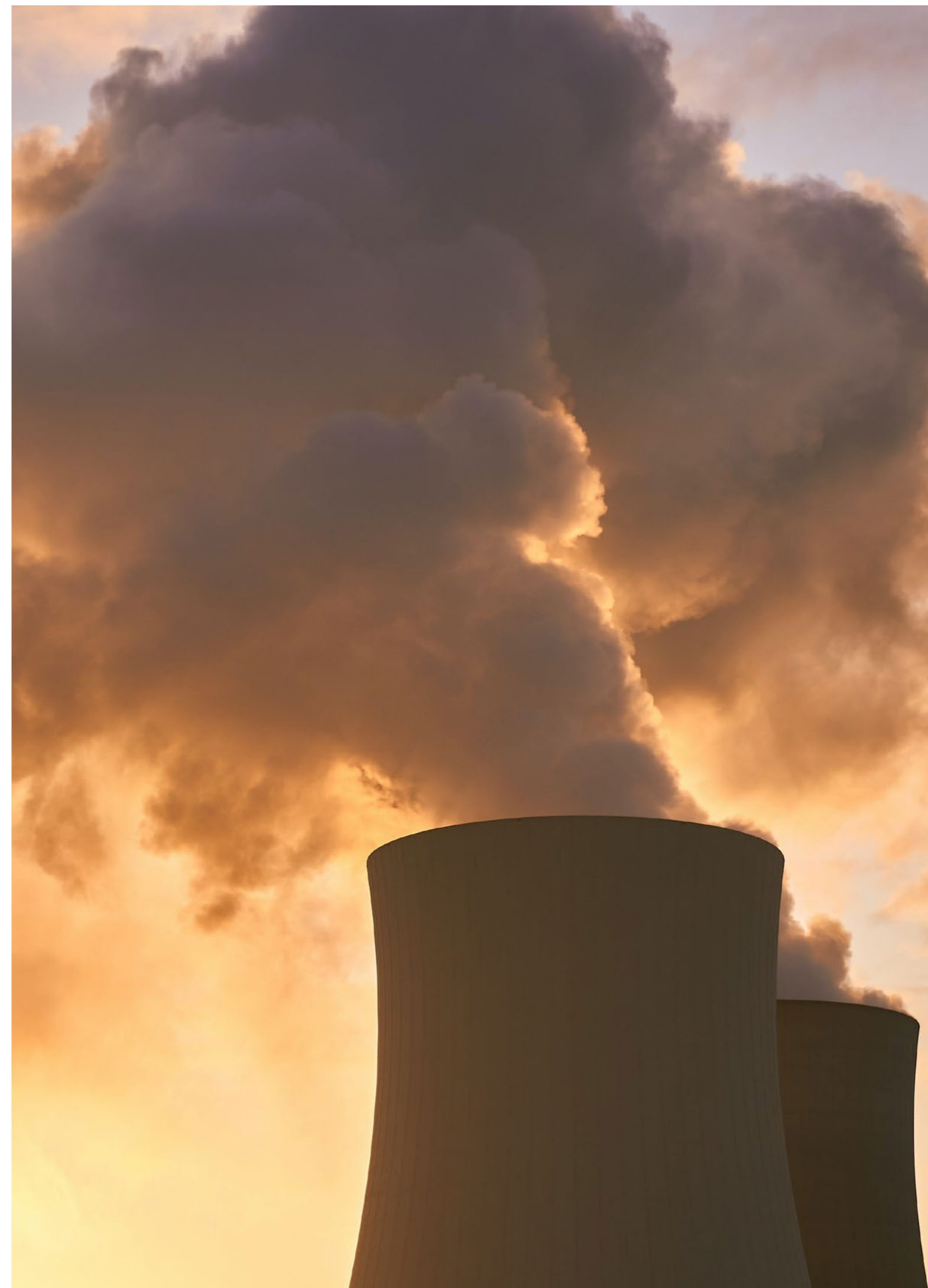


Publication of target disclosure by first wave Net Zero Asset Managers initiative signatories

43 early signatories to the Net Zero Asset Managers initiative disclosed their initial interim targets, with over a third of assets managed in line with net zero. In addition, a record 92 new asset managers joined the initiative, bringing the total to 220 investors managing USD 57 trillion.

Hosted a COP26 side event focused on accelerating investor action for net zero

As part of the Investor Agenda, IIGCC hosted an event in the UNFCCC Blue Zone which included speakers from CalPERS, Aware Super, Fama Investimentos, Brunel Pension Partnership and Dai-ichi Life International as well as the founding network partners. IIGCC was present at COP26 throughout the fortnight and also participated in a number of other significant events and meetings.



2001



2001

IIGCC was established in 2001 on the initiative of the responsible investment leads at USS as a forum for collaboration between pension funds and asset managers on issues related to climate change.



2005

IIGCC and the Carbon Trust work with Mercer to develop a guide for pension trustees to support them in understanding and addressing climate risk.



2005

IIGCC is incubated within The Climate Group, with a separate Steering Committee of IIGCC members.



2005

Stephanie Pfeifer joins as IIGCC's first full-time employee. She has led the organisation for more than 15 years and overseen its expansion into a pan-European investor group.



2010

IIGCC develops investor guides for real estate and private equity.



2008

IIGCC develops the first sectoral 'Global climate disclosure framework' for electric utilities.



2008

IIGCC develops the first ever Global Investor Statement on Climate Change and partners with IGCC and Ceres.



2007

As more European members begin to join IIGCC, the focus for policy advocacy work shifts to include EU policymakers and regulation.



2006

IIGCC holds a conference in Paris with former Vice President of the United States, Al Gore.



2011

Morgan LaManna joins as IIGCC's second full-time employee. She worked for IIGCC for five years before moving to the US and is now a Director at Ceres, working on Climate Action 100+.



2011

IIGCC, IGCC and Ceres conduct the first Global Investor Survey on Climate Change.



2012

IIGCC spins out of the Climate Group to become its own legal entity.



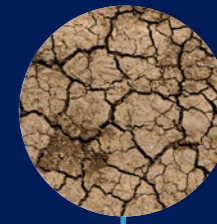
2012

IIGCC, IGCC, Ceres and AIGCC establish the Global Investor Coalition (GIC) to collaborate on joint international projects focused on climate policy, corporate engagement and investment practices.



2012

IIGCC develops and partners with IGCC and Ceres to launch the 'Institutional Investor Expectations of Corporate Climate Risk Management'.



2013

IIGCC engages with the EU Commission on the 2030 framework for climate and energy policy and strengthen the Emissions Trading Scheme.



2016

Oliver Grayer succeeds Morgan. Today he leads the corporate programme.



2015

IIGCC develops guide and roadshows on carbon footprinting and investment strategies and solutions to address the risks and opportunities associated with climate change.



2015

IIGCC helps to convene the investor voice ahead of COP21 in Paris to call for a strong global climate agreement.



2014

UN Secretary General convenes a summit where the Global Investor Statement on Climate Change is presented to governments.



2014

The GIC launches the Low Carbon Investment Registry for investors to publish their green investments.

2021



2017

Rachel Ward joins to lead the policy programme, driving engagement with policymakers across the UK, Europe and globally.



2017

Climate Action 100+ is officially launched at the One Planet Summit in Paris, with an initial list of 100 focus companies and 225 signatories.



2018

The Investor Agenda is developed by 7 founding partners including AIGCC, CDP, Ceres, IGCC, IIGCC, PRI and UNEP-FI.



2019

Daisy Streatfeild joins to lead the investor practices programme and sets up the Paris Aligned Investment Initiative, now a global collaboration supported by four regional networks – AIGCC, Ceres, IGCC and IIGCC.



2020

The Net Zero Asset Managers initiative is launched with the aim of galvanising the asset management industry to commit to a goal of net zero emissions. It is now backed by 220 signatories with USD 57 trillion in assets.



2021

Through the Investor Agenda, IIGCC and the other network partners coordinate the biggest ever sign on to a Global Investor Statement to Governments on the Climate Crisis, totalling over 700 signatories, representing around half of global assets under management.



2021

The Net Zero Investment Framework is launched, supporting investors in ensuring their portfolios are aligned with net zero emissions. At the same time, 22 asset owners with USD 1.2 trillion in assets commit to aligning their investments with achieving net zero by 2050 as part of the Paris Aligned Asset Owners group. Today the group stands at 50 asset owners with USD 2.8 trillion in assets.



2021

Over half of Climate Action 100+ focus companies commit to achieving net zero emissions by 2050 or sooner.



2021

Climate Action 100+ launched its Net-Zero Company Benchmark to assess focus companies' progress towards net zero. The initiative also published the first of its global sector strategies, with a focus on aviation, steel, food and beverages and electric utilities.

2001 0 full time employees

2005 1 full time employee

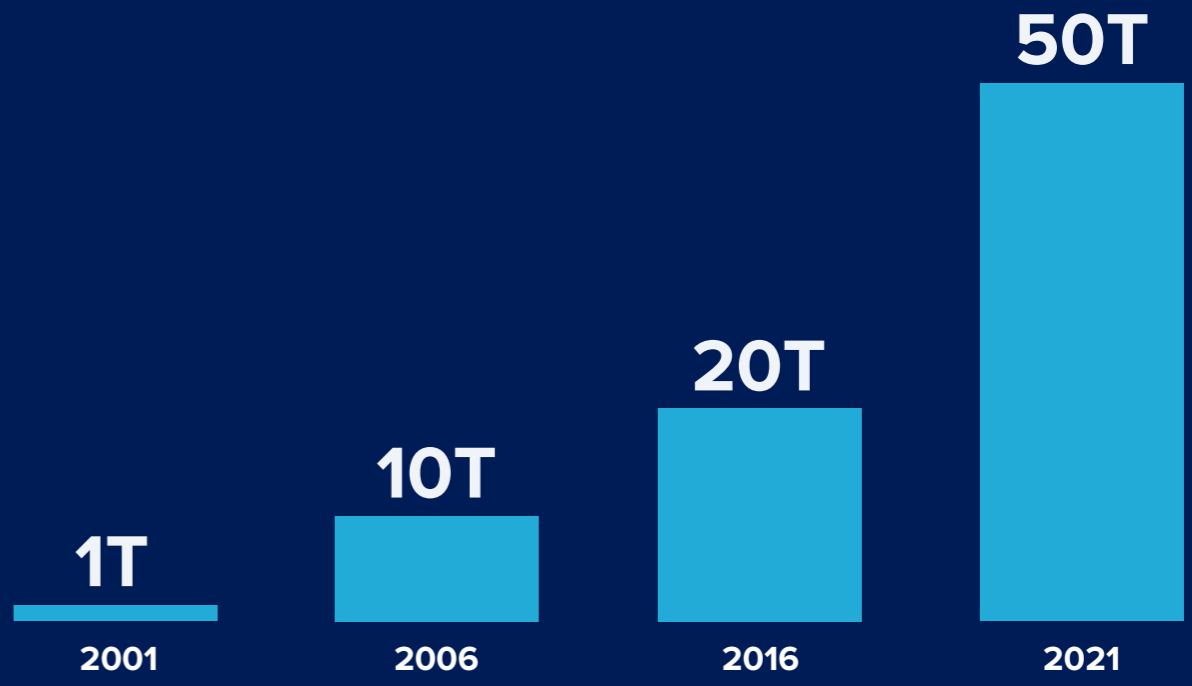
2011 2 full time employees

2018 6 full time employees

2020 16 full time employees

2021 26 full time employees

EUR trillion in member assets



Corporate

The corporate programme supports members in undertaking effective stewardship and active ownership of their investments, with a focus on listed equity and corporate bonds. The team provides market leading resources to help investors in assessing company strategies on climate change and facilitates collaborative share holder engagement with companies.

Our work helps investors to safeguard and enhance long-term returns across their investments by ensuring investee companies are aligning their business strategies to the goals of the Paris Agreement. Activities within the programme include supporting collaborative investor engagement with companies, undertaking research and analysis on climate risk and opportunity across a range of affected sectors and developing guidance to inform engagement with companies.

In 2021, we have extended our focus on some of the sectors that have the furthest to go in terms of net zero alignment, but therefore could also stand to make the biggest contribution towards tackling climate change. We have undertaken research covering the power sector transition, the role of the banking sector and what net zero should look like for oil and gas companies. IIGCC also led on a number of global sector strategy papers as part of Climate Action 100+, focusing on steel and electric utilities.

We supported investor engagements with 46 companies in Europe in 2021, resulting in over 800 individual calls and meetings between companies and investors and 40 net zero commitments, including improvements from 12 focus companies who had not previously made a commitment at all. We also saw exceptionally high response rates from group engagements on topics including the Climate Action 100+ net zero benchmark, lobbying and accounting.

As we look to the future, we intend to further develop our work on encouraging corporate net zero transition plans, producing guidance, frameworks and toolkits to support investors in engaging with companies to mobilise commitments and translate them into action.



Net Zero Stewardship Working Group

In 2021 we established a new working group within the corporate programme with a focus on net zero stewardship. Stewardship and voting will play a critical role in enabling investors to deliver upon net zero commitments, particularly when considering the scale of some portfolios. Many of the commitment frameworks have outlined a prominent role for stewardship, but how it is applied to deliver net zero goals is far from straightforward. Application in different geographies will need to vary due to cultural norms, while voting rights also differ substantially. The purpose of this working group is to provide a forum to help investors share views on operationalising 'Net Zero Stewardship', to develop key tools to enable progress and to work with proxy advisors to ensure they are ready to support investors.

In 2021 the group has drafted a foundational toolkit for developing a net zero stewardship approach, as well as engaging with the main proxy advisors. This has seen ISS adopt some initial climate-related voting policies within benchmark policy consultation documents.

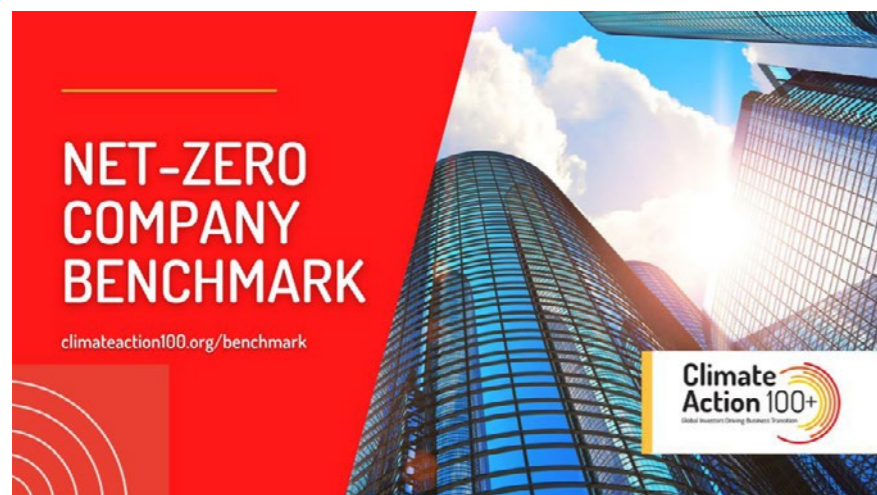
Climate Action 100+

Climate Action 100+ is a five-year initiative led by over 615 investors to engage 167 of the highest corporate greenhouse gas emitters and those that have significant opportunities to drive the clean energy transition. IIGCC is one of the founding investor networks responsible for the initiative and plays a key role in enabling engagement with companies across Europe and shaping global strategy with the other partners.

In March 2021, Climate Action 100+ launched the Net-Zero Company Benchmark, defining key indicators of success for business alignment with net zero. It is now the foundation of all investor engagement through the initiative and the assessments have become a widely cited demonstration of progress by focus companies. At launch, 52% had made a net zero commitment of some form, 87% had board oversight of climate change and 72% had committed to align disclosures with TCFD, but no company had scored highly across all indicators or fully disclosed how it would achieve its goals. The next iteration of the benchmark will be published in March 2022.

Later in the year, the initiative launched the first of its sectoral decarbonisation focused global sector strategies, intended to support companies in high priority sectors to decarbonise their value chains and build out effective climate transition plans. Strategies published to date include aviation, steel, food and beverages and electric utilities.

In addition to coordinating the European working group, IIGCC plays an active role in Climate Action 100+ globally with representation from both the network and its members on the Steering Committee and across key working groups.



Investor Practices



Our investor practices programme is designed to help members and the broader investment sector to better integrate climate risks and opportunities into their investment processes and decision making and explore how to align portfolios with the goals of the Paris Agreement.

It provides a forum for investors to collaborate, developing tools and resources to deepen understanding of investor practices on climate change and support the implementation of related best practice. The team focus on developing guidance to help investors incorporate climate-related issues into their processes, supporting them in identifying, assessing and managing climate-related risks and opportunities across asset classes.

In 2021, the investor practices programme has focused primarily on mobilising net zero commitments via the Net Zero Asset Managers initiative and Paris Aligned Asset Owners group, providing implementation guidance for investors through the Net Zero Investment Framework and encouraging robust and transparent reporting in line with recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD).

The team has also responded to a number of consultations, particularly in relation to climate risk disclosure and TCFD, and published an important set of investor expectations focused on building resilience to climate change and managing the impacts of physical risk within business strategies.

Looking to the year ahead, we will continue to build on the achievements of this year, mobilising additional investor commitments, expanding the Net Zero Investment Framework to include new asset classes and themes, and supporting effective implementation via our net zero implementation working group and suite of collaborations, guidance and tools.



Net Zero Asset Managers initiative

The Net Zero Asset Managers initiative is an international group of asset managers, committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C.

It launched in December 2020 with IIGCC as the founding chair, supported by five partner investor networks, and aims to galvanise the asset management industry to commit to a goal of net zero emissions. Signatories commit to investing in line with achieving net zero emissions by 2050 or sooner, prioritising the achievement of real economy emissions reductions within the sectors and companies that they invest in. As part of the initiative, asset managers also commit to work in partnership with clients on decarbonisation goals and to set an interim target for the proportion of assets to be managed in line with net zero, which will be reviewed at least every five years until 100% of assets are included.

On 1 November 2021, we published a progress report for the initiative, which included initial interim targets from 43 of the early signatories, 75% of whom used the Net Zero Investment Framework as the basis for their targets. Of those that disclosed targets, 35% of the total assets under management is being managed in line with achieving net zero by 2050. In addition, a record 92 new asset managers joined the initiative, bringing the total to 220 investors managing USD 57 trillion – over half of global assets under management.

Paris Aligned Asset Owners group

In March 2021, 22 asset owners with USD 1.2 trillion in assets made a net zero commitment as part of the Paris Aligned Asset Owners group, led by the Paris Aligned Investment Initiative.

In doing so, signatories commit to transition their emissions to achieve net zero emissions by 2050 or sooner, setting interim targets for 2030 and engaging with a range of other stakeholders, including investee companies, asset managers, rating agencies, consultants and service providers to ensure net zero alignment across the value chain.

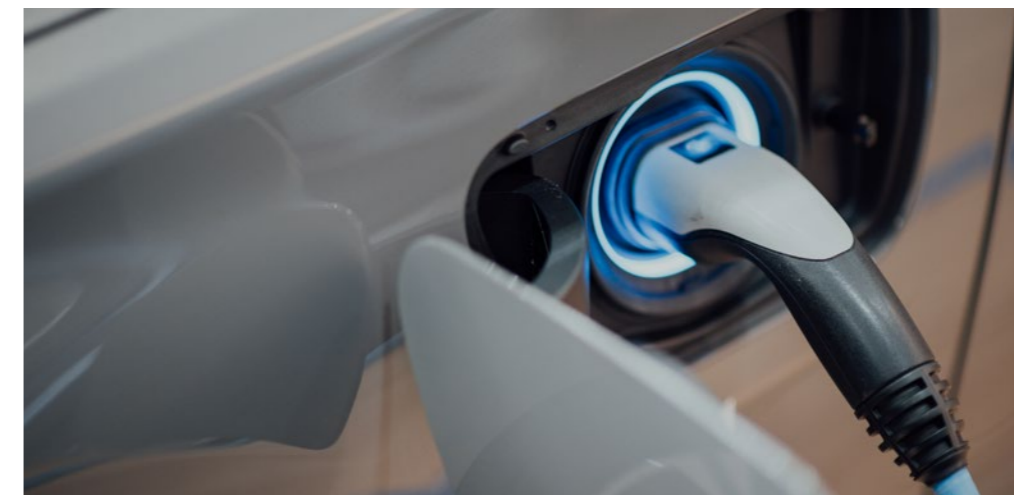
Today the group of asset owners stands at 50, representing USD 2.8 trillion in assets, with signatories from the UK, continental Europe, Australasia and North America.

Paris Aligned Investment Initiative

The Paris Aligned Investment Initiative is a collaborative investor-led global forum enabling investors to align their portfolios and activities with the goals of the Paris Agreement. It was established in May 2019 by IIGCC and in March 2021 grew into a global collaboration supported by four regional investor networks. The initiative has three key areas of focus – driving net zero commitments, supporting investors in implementing those commitments and collaborating globally to develop and support further practical approaches to enable Paris-aligned investing.

The initiative is also the forum through which IIGCC and the other regional networks support implementation of net zero commitments, particularly via the Net Zero Investment Framework, which it launched in March 2021. The framework helps investors to maximise their contribution to decarbonising the global economy and tackling climate change. It provides them with important guidance on how to translate a net zero commitment into an actionable investment strategy, based on key components which include objectives and targets, strategic asset allocation and alignment, policy advocacy and corporate engagement and governance.

“ The framework helps investors to maximise their contribution to decarbonising the global economy and tackling climate change.”



Policy



Our policy programme helps to shape sustainable finance and climate policy for key sectors of the economy. The team focus on ensuring the right frameworks are in place to unlock investment opportunities and scale up flows of low carbon finance. Focused primarily at the EU and global levels, the policy team's work ensures members are up to speed and able to actively engage on policy of direct relevance to their portfolios and the transition to a low carbon economy.

Working with policymakers, ministers and other stakeholders, we ensure the investor perspective is at the heart of the conversation on climate change and sustainable finance policy, informing and strengthening policy decisions in support of a low carbon, climate resilient world. Our core activities include engaging on finance and real economy policy, providing analysis on policy developments to members, developing policy positions and helping inform the policy dialogue and perspective of key stakeholders, as well as supporting members in their own policy engagements.

As one of the founding networks behind the Investor Agenda, much of our international policy engagement efforts in 2021 have focused on delivering the strongest-ever unified call for action to tackle climate change in the run up to COP26. The Global Investor Statement to Governments on the Climate Crisis calls for governments to end fossil fuel subsidies, phase out coal and mandate climate risk disclosure.

The team wrote to governments in the UK and EU on a number of occasions throughout the year, sharing the investor perspective on key policies and calling for action from policymakers, as well as responding to public consultations and running member webinars with key spokespeople.



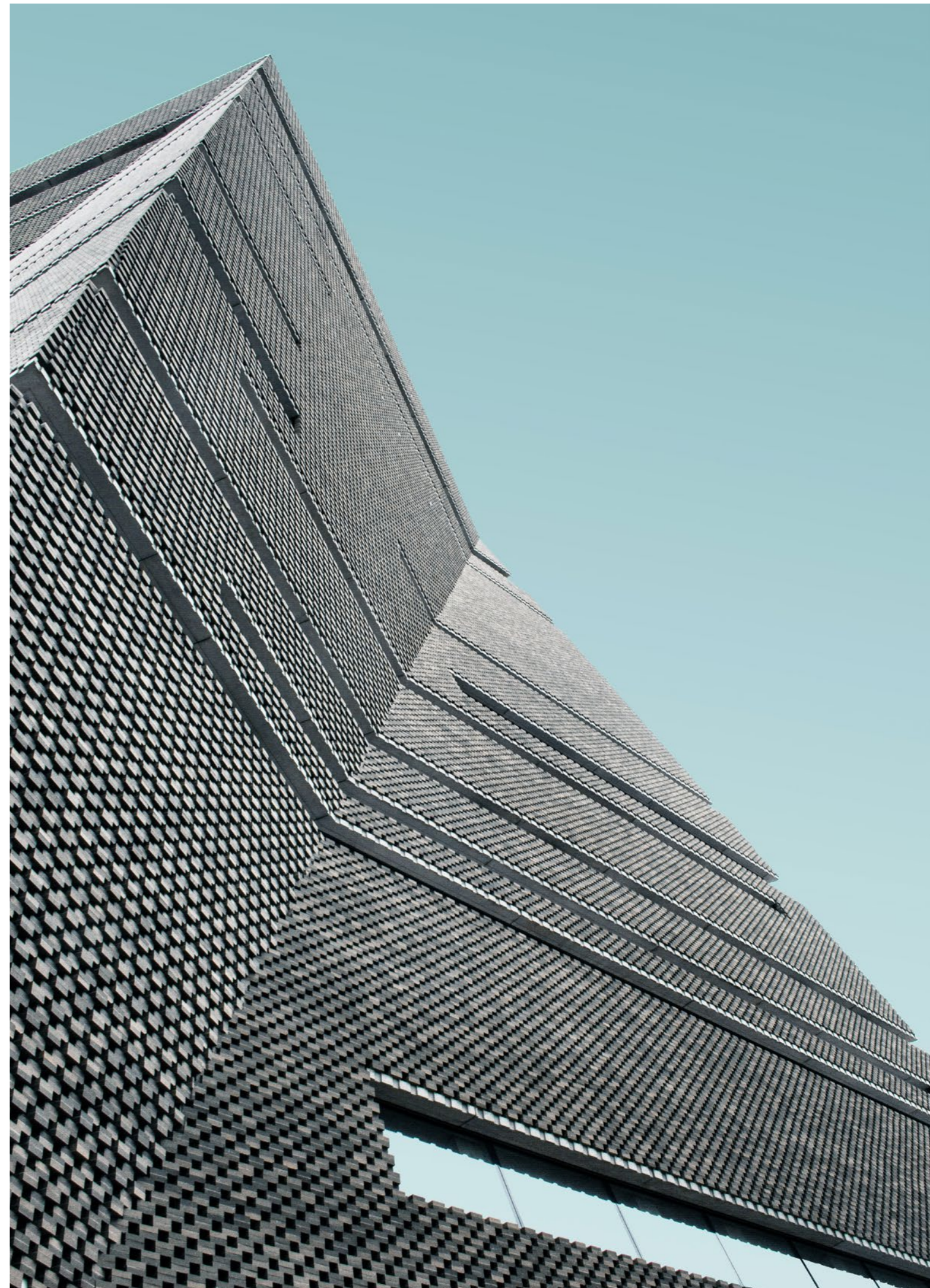
The Investor Agenda

The Investor Agenda represents a common leadership agenda on the climate crisis, unifying investors, and accelerating action for a net zero emissions economy. It draws on expertise from across the investor landscape to set out clearly defined expectations in four interlocking areas – corporate engagement, investment, policy advocacy and investor disclosure.

In 2021, the partner networks behind the Investor Agenda focused on delivering an ambitious Global Investor Statement to governments ahead of COP26. Formally announced in June and delivered in the run up to COP in October, the statement was signed by more than 700 investors collectively managing over USD 52 trillion in assets. In addition to the statement itself, which calls for five key actions from governments around the world, we delivered an investor action pack to support signatories in advocating for the statement's recommendations. We also conducted a webinar, providing investors with opportunities to hear from the network leaders and ask questions as they plan their own policy advocacy activities.

In addition to the Global Investor Statement, the Investor Agenda has produced a new comprehensive framework for Investor Climate Action Plans (ICAPs). Drawing on the expertise of investors and existing guidance and expectations, the ICAPS expectations ladder, published in May 2021, helps investors to navigate the many different initiatives and create ambitious plans of action, wherever they are on their journey to net zero.

“ Formally announced in June and delivered in the run up to COP in October, the statement was signed by more than 700 investors collectively managing over USD 52 trillion in assets”



We look forward to working
with members on the following
areas next year.

PRIORITIES

Cross-Organisational

Guide investors in managing climate risks and opportunities and aligning portfolios to climate goals



Mobilise net zero commitments from investor members via the Net Zero Asset Managers initiative and Paris Aligned Asset Owners group and support implementation via the Net Zero Investment Framework so that investors can deliver upon those commitments.

Accelerate investment in climate solutions



Encourage investors to go beyond decarbonising their portfolios and consider how they can contribute to solutions that will help address existing challenges and tackle the climate crisis.

Drive net zero business strategies and support real economy impact through stewardship and sector-level engagement



As a founding network behind Climate Action 100+, further develop investor engagement work and sector level analysis to ensure investors can secure meaningful net zero transition plans from the world's largest emitting companies and more

Shape sustainable finance and climate policy and regulation



Engage with policymakers and regulators at UK, EU and global levels to bring a strong investor voice to support on real economy policy and sustainable finance regulation aligned with the net zero transition.

Ensure an ambitious road to COP27



Engage with national governments and the UNFCCC to support the publication of ambitious new Nationally Determined Contributions in line with net zero emissions; and work closely with corporates and investors to ensure the robust implementation of commitments made at COP26.

Support market development to facilitate investor action on climate change



Embed net zero considerations into market offerings by engaging with the wider market, including data and service providers.

Corporate

Standardise corporate net zero transition plans



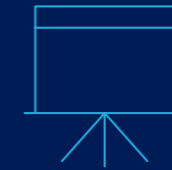
Develop investor expectations which set the standard for corporate net zero transition plans and launch a range of sector-focused supplements for sectors including banks, oil and gas and autos.

Establish a toolkit for net zero stewardship



Develop systems and processes to implement net zero stewardship, producing a toolkit to support members and engaging in constructive dialogue with proxy advisors to support development of voting options.

Develop Climate Action 100+: v2.0



Work with our Climate Action 100+ partners to develop a revised strategy for the initiative at the end of its first phase, covering 2023 to 2030.

Going beyond Climate Action 100+



Support engagement beyond Climate Action 100+, using the net zero stewardship toolkit to help investors engage with companies and align their portfolios.

Investor Practices

Mobilise investor action towards net zero



Continue to mobilise net zero commitments through Paris Aligned Asset Owners and Net Zero Asset Managers, building on an existing 270 investors who have committed to align their portfolios with achieving net zero by 2050.

Develop the Net Zero Investment Framework



The Paris Aligned Investment Initiative will deliver a strengthened and more comprehensive Net Zero Investment Framework, which includes components on private equity, infrastructure, adaptation and resilience, and derivatives and hedge funds.

Support net zero implementation



We have established a net zero implementation working group, which we will use to support the development and effective implementation of investors' net zero strategies, while also providing them with the opportunity to engage with and learn from each other's approaches.

Address key challenges for net zero investing



Develop additional collaborations, guidance, and tools to address key challenges for net zero investing, including scaling investment in emerging markets, aligning passive portfolios to net zero and addressing data and measurement issues.

Encourage alignment with net zero policy



Ensure alignment between best practice in relation to investing in line with net zero, and emerging regulation relating to investor action.

Policy

Support policy development at an international level



We will work with network partners and signatories to develop a version of the Global Investor Statement for 2022 that reflects progress made at COP26 and continues to advocate for ambitious policy which facilitates the achievement of climate goals.

Engage on global disclosure policy



Engage with policymakers to represent the investor voice on matters relating to global disclosure policy developments, including IFRS, TCFD and the global Common Ground Taxonomy.

Encourage high ambition and robust sustainable finance taxonomies



Participate in the UK's Green Technical Advisory Group and similar EU forums to ensure high ambition and environmental integrity and transparency within EU and UK taxonomies.

Fit for 55 negotiations



Engage on 'Fit for 55' negotiations to ensure an EU 2030 real economy policy package that is aligned with net zero, especially on EU ETS, renewables, vehicles, EPBD, ETD.

EU sustainable finance strategy



Ensure coherent and robust implementation of the EU's new sustainable finance strategy that provides a supportive framework for European investors when it comes to the net zero transition.



IIGCC TEAM

IIGCC Team



IIGCC Board



We would also like to thank Helena Vines Fiestas from BNP Paribas Asset Management who served on the Board until April 2021.

Membership

IIGCC's membership includes a broad range of asset owners and asset managers, including many of the largest global and European institutional investors. Reflecting the significance of climate change as an issue for the investor community and the impact of our work, our membership continues to grow.

Investor members

a.s.r. Asset Management
Aberdeen Standard Investments
Admiral Group Plc
Aegon Asset Management
Aegon UK
Aeon Investments Limited
AEW
AIP Management P/S
AkademikerPension
Aker Horizons SAS
Alcentra Ltd
Allianz Global Investors
Allianz Investment Management
Ambienta Sgr S.p.A
Amundi Asset Management
Anaxis Asset Management
Andurand Capital Management LLP
Anthos Fund & Asset Management B.V.
AP Moller Capital
AP Pension
AP1 – Första AP-fonden
AP2 – Andra AP-fonden
AP3 – Tredje AP-fonden
AP4 – Fjarde AP-fonden
AP7 – Sjunde AP-fonden
APG Asset Management
AQR Capital Management
Arisaig Partners (Asia) PTE Ltd
Artemis Investment Management LLP
Arvella Investments
Asper Investment Management
Assicurazioni Generali S.p.A
Atlas Infrastructure
ATP
AustralianSuper
Aviva Investors
Avon Pension Fund
Baillie Gifford & Co
**Bank Invest Management
Fondsmæglerselskab A/S**
Banque Hottinguer
Barclays Bank UK Retirement Fund
BBC Pension Trust
BDL Capital Management
Bedfordshire Pension Fund
BlackRock
BMO Global Asset Management (EMEA)

BNP Paribas Asset Management
Border to Coast Pensions Partnership
**Brandywine Global Investment
Management**
Bridges Fund Management
Brunel Pension Partnership
BT Pension Scheme
Bundespensionskasse AG
BUPA Finance Plc
Cadence Investment Partners
Caisse des Dépôts
CalPERS
CAM Alternatives GmbH
Camco Clean Energy
Canada Life Asset Management
Candriam Luxembourg, s.c.a
Capital Dynamics
Cardano Risk Management Limited
CBRE Global Investors
CCLA Investment Management
Central Finance Board of the Methodist
Church
Church Commissions for England
Church Investors Group (Joint Member)
Church of England Pensions Board
Church of Sweden
**Clean Growth Investment Management
LLP**
Cornwall Pension Fund
Coutts & Co
Covalis Capital LP
CPEG – Caisse de prévoyance de l'Etat
de Genève
Crédit Mutuel Asset Management
CUT POWER AG
Danske Bank
DBL Partners
Devon County Council
Didner & Gerge Fonder AB
DIF Capital Partners
Dorval Asset Management
Dragon Capital Group
DTZ Investors
DWS
E.I. Sturdza Strategic Management
Limited
Earth Capital Ltd
East Capital
East Sussex Pension Fund
EdenTree Investment Management

Electron Capital Partners, LLC
Elo Mutual Pension Insurance Company
Environment Agency Pension Fund
ERAFF
Ethos Foundation
Eurizon Capital SGR SPA
Evenlode Investment
Falkirk Council Pension Fund
Fidelity International
Fonditel Pensiones EGFP
Fonds de reserve pour les retraites –
FRR
Foundation Credit
Franklin Templeton
Fulcrum Asset Management
FullCycle Management LLC
GAM Investments
Generation Investment Managers
Glennmont Partners
Goldman Sachs Asset Management
International
Gore Street Capital
Greater Manchester Pension Fund
Guardian Media Group PLC
Gulf International Bank (UK) Limited
Handelsbanken AB Publ
Herald Investment Management Ltd
HITE Hedge Asset Management LLC
Horizon Capital LLP
HSBC Bank Pension Trust (UK) Ltd
HSBC Global Asset Management
IFM Investors
**Ilmarinen Mutual Pension Insurance
Company**
IMPAX Asset Management
Industriens Pension
Insight Investment
Invesco UK Limited
Irish Life Investment Managers
J. Safra Sarasin
James Hambro & Partners
Janus Henderson Investors
Joseph Rowntree Charitable Trust
J.P. Morgan Asset Management
Jupiter Asset Management
KBI Global Investors
Kempen Capital Management
Kent County Council Pension Fund
Kepos Capital LP

Keva	Northern Ireland Local Government Officers' Superannuation Committee
Kuvari Partners	
La Banque Postale	Northern Trust Asset Management
Lankelly Chase Foundation	Nykredit
Lazard Asset Management	Octopus Investments
Lærernes Pension	OFI Asset Management
Lægernes Pension	Öhman
LB Forsikring	Oldfield Partners LLP
Legal & General Investment Management	Ostrum Asset Management
LGPS Central	OU Endowment Management
LGT Capital Partners	Oxfordshire County Council Pension Fund
Lime Rock New Energy	P+, Pensionskassen for Akademikere
Lloyds Banking Group Pensions Trustee Limited	Paedagogernes Pension (PBU)
Local Pensions Partnership Investment Ltd	Palatine Private Equity
Lombard Odier	Partners Capital
London Borough of Islington Pension Fund	PenSam
London Borough of Newham Pension Fund	Pensioenfonds Metaal en Techniek (PMT)
London Pensions Fund Authority	Pension Fund Swiss Re
Longview-Partners	Pension Protection Fund
Los Angeles Capital	PensionDanmark
Lothian Pension Fund	Pensionskasse der UBS
Lyxor International Asset Management	Pensionskasse Schaffhausen PKSH (Pension Fund Schaffhausen)
M&G Investments	PFA Pension
Macquarie Infrastructure and Real Assets	PGGM
MainFirst Holding AG	Phoenix Group
Maj Invest Equity	Pictet Asset Management
Majedie Asset Management	PIMCO LLC
Man Group Plc	PineBridge Investments Holdings US LLC
Martin Currie Investment Management Ltd	PKA
Mclnroy & Wood Ltd	Prudential Staff Pensions Limited as Trustee of the Prudential Staff Pension Scheme
Mercer Global Investments Europe	Quaero Capital
Merseyside Pension Fund	Quilter plc
MISTRA	RAM Active Investments SA
MN	Rathbone Brothers Plc
MPC Renewable Energies	Rathbone Greenbank Investments
National Grid UK Pension Scheme	Ridgewood Infrastructure
NatWest Group Pension Fund	Robeco
Nephila Capital	Royal London
NEST	Royal London Asset Management
Neuberger Berman	RPMI Railpen
Newton Investment Management	Ruffer
NextEnergy Capital	Russell Investments
Ninety One	RWC Partners
NN Group	Sampension
Nordea Investment Funds	Santander (CF Trustee) Limited / Santander (UK) Group Pension Scheme
	Santander Asset Management

Sarasin & Partners	
SAUL Trustee Company	
Schroders	
S&P Group	
Schweizer Reisekasse (Reka) Genossenschaft	
Scottish Widows, part of Lloyds Banking Group	
SEB Investment Management	
Smart Pension	
South Yorkshire Pensions Authority	
St James's Place Wealth Management	
St John's College Cambridge	
Stafford Capital Partners	
State Street Global Advisors	
StepStone Group, Inc	
Stichting Pensioenfonds IBM Nederland	
Storebrand Asset Management	
Strathclyde Pension Fund	
Swedbank Robur	
Swiss Federal Pension Fund PUBLICA	
Swiss Life Asset Managers	
Sycomore Asset Management	
T. Rowe Price International Ltd	
Tabula Investment Management	
Tayside Pension Fund	
TCI Fund Management Limited	
Tellus Mater Foundation	
Tesco Plc Pension Scheme	
The Church Pension Fund (Finland)	
The First UK Bus Pension Scheme	
The Highland Council Pension Fund	
The international business of Federated Hermes	
The National Trust for Places of Historic or Natural Beauty	
The River & Mercantile Group PLC	
The Wellcome Trust	
TPG	
TPT Retirement Solutions	
Triodos Investment Management	
Troy Asset Management	
UBS Asset Management	
Union Investment Institutional GmbH	
Universities Superannuation Scheme	
University of Cambridge	
University of Cambridge colleges (Joint Member)	
University of Glasgow	
University Pension Plan Ontario (UPP)	

Univest Company	
V-Square Quantitative Management	
Valo Ventures	
Vanguard	
Vantage Infrastructure	
Velliv	
Vert Asset Management	
Wellington Management	
Wermuth Asset Management	
West Midlands Pension Fund	
West Yorkshire Pension Fund	
WHEB Group	
Willis Towers Watson	
Wiltshire Pension Fund	
Winston Churchill Memorial Trust	
Witan Investment Trust plc	
Zouk Capital	

Associate members	
Campbell Lutyens	
CDC Group PLC	
EBRD	
EY	
FTSE Russell	
Lane Clark & Peacock LLP	
Linklaters LLP	
Moody's Investor Service	
MSCI ESG Research (UK) Limited	
Ortec Finance	
Pollination Capital Partners Limited	
Redington Limited	
Scientific Beta Pte Ltd	

Supporting partners	
CPP Investments	
Norges Bank Investment Management	

Church Investors Group joint members	
Archbishops' Council	
Baptist Union of Great Britain	
Barrow Cadbury Trust	
BMS World Mission	
Charles Plater Trust	
Christian Aid	
Church in Wales	
Church of Scotland Investors Trust	
CIG South Africa	
Diocese of Hexham and Newcastle	
Diocese of Salford	
Diocese of Shrewsbury	
Diocese of Westminster	
Friends Provident Foundation	
Jesuits in Britain	
Lutheran Council of Great Britain	
Order of Preachers	
Panahpur	

Polden-Puckham Charitable Foundation	
Religious Society of Friends	
Representative Church Body of the Church of Ireland	
Roman Catholic Diocese of Plymouth	
Roman Catholic Diocese of Portsmouth	
Scottish Episcopal Church	
Servite Friars	

Trustees of the Methodist Church in Ireland	
United Reformed Church Ministers Pension Fund	
United Reformed Church South Western Synod	
United Reformed Church Trust	
United Reformed Church Wessex Synod	
William Leech Charitable Trust	

University of Cambridge colleges joint members	
Christ's College	
Churchill College	
Clare College	
Corpus Christi College	
Downing College	
Emmanuel College	
Fitzwilliam College	
Girton College	
Gonville & Caius College	
Homerton College	
Hughes Hall	
Jesus College	
King's College	
Lucy Cavendish	
Magdalene College	
Murray Edwards College	
Newnham College	
Pembroke College	
Peterhouse	
Queen's College	
Robinson College	
Selwyn College	
Sidney Sussex College	
St Catharine's College	
St Edmund's College	
Trinity Hall	
Wolfson College	

We'd like to welcome new members highlighted in bold that have joined over the past year.

Member Benefits

Why IIGCC membership?

IIGCC takes an approach focused on fostering community, providing a comprehensive offering and amplification through collaboration. Member-led, this approach has been developed to ensure IIGCC is able to maximise the impact of its work for investors.

Climate-related risks and opportunities hold direct relevance for all financial institutions and climate change is an issue the investment sector cannot afford to ignore.

Impacting all sectors and geographies, the necessary response is redefining the traditional roles and responsibilities of financial actors. The investment process is being reshaped, new policy and regulatory frameworks put in place, and concepts of stewardship and governance transformed.

Membership enables organisations in the investment community to participate in:

- 01** Engagements with companies to accelerate their transition to net zero
- 02** Working groups supporting investors to achieve net zero alignment
- 03** Engagement with policy makers on finance and climate policy
- 04** Expert webinars and roundtables on metrics, methodologies and tools

Membership benefits

IIGCC works directly with its members and provides a platform for investors to work together to accelerate progress and share best practice. Through regular communications, investors can stay up to date on key developments and opportunities to participate in collaborative activities.

Working in partnership with global investor networks, funders, and stakeholder groups, IIGCC enables and develops collaborations to amplify the international reach and impact of its work.

Membership provides access to exclusive content and engagement opportunities, including:

- 01** Resources including presentations, briefing documents, research, analysis and strategic tools
- 02** Involvement in stewardship and policy engagement activity
- 03** Policy updates, ensuring members stay informed on key policy developments and milestones
- 04** Shareholder resolution updates and corporate engagement support
- 05** Workshops, regular online briefings, and webinars across all work programmes
- 06** Member newsletters containing event summaries, programme updates and engagement opportunities

External Supporters

IIGCC's work is supported by membership fees as well as by contributions from the following foundations and organisations who we would like to thank for their support in 2021:



CIFF is the world's largest philanthropy that focuses specifically on improving children's lives. CIFF works with a wide range of partners, and focuses on a number of areas, including stopping climate change.



The Climate Investment Coalition aims to accelerate climate-related investments to kickstart post-Covid-19 economies with sustainable and green agendas and meet the goals of the Paris Agreement.



ClimateWorks is a global platform for philanthropy to innovate and accelerate climate solutions at scale.



The ECF is dedicated to responding to the global climate crisis by creating a net zero greenhouse gas emissions society.



The EDF is a solutions oriented non-profit environmental advocacy group.



Laudes Foundation is responding to the dual crises of inequality and climate change by supporting brave, innovative efforts that inspire and challenge industry to harness its power for good.

IIGCC would also like to thank Ceres who administer subgrants to IIGCC for our joint initiatives.



Ceres is transforming the economy to build a sustainable future for people and the planet.

IIGCC also has additional funders who choose to remain anonymous.

IIGCC
The Institutional Investors
Group on Climate Change

Pennine Place
2a Charing Cross Road
London, WC2H 0HF
United Kingdom

+44 (0) 207 520 9305
info@iigcc.org
twitter @iigccnews
www.iigcc.org