CALL FOR CLIMATE ACTION ANNOUNCEMENTS FROM PRIVATE FINANCE INSTITUTIONS

There is an exciting calendar of climate action events in 2021, culminating in COP26 in Glasgow this November. The COP Presidency, Mark Carney’s Private Finance Hub and the High Level Climate Action Champions are calling for private finance institutions to make ambitious commitments around key events in the remaining six months to COP. By coalescing around these dates, financial institutions can create ambition moments which we can support, driving further action and momentum. We are seeking the following types of commitments from private finance institutions:

1. JOIN A NET ZERO ALLIANCE AS PART OF THE GLASGOW FINANCIAL ALLIANCE FOR NET ZERO

   - The Glasgow Financial Alliance for Net Zero (GFANZ), launched on 21 April 2021, brings together over 160 firms representing over $70 trillion of assets into one sector-wide strategic forum. GFANZ brings the Race to Zero’s financial sub-sector alliances together to ensure consistency and credibility of net zero commitments, to coordinate action to support the transition and to help mobilise the finance needed in developing and emerging markets for climate resilience and the transition to net zero.

   - Financial institutions can join GFANZ via the new UN-convened Net Zero Banking Alliance, the UN-convened Net Zero Asset Owners Alliance, and the Net Zero Asset Managers Initiative. These alliances will be joined by the soon-to-be launched UN-convened Net-Zero Insurance Alliance.

   - Having joined a net zero alliance to start their race to net zero, we are encouraging ambitious firms to show leadership with further meaningful action ahead of COP26. We strongly encourage specific impactful pledges (e.g. bullets 3 and 5 below on coal and nature), commitments to finance sector transition, and publication of robust transition plans that set interim targets for 2025 and 2030 and explain the steps that will be taken to help achieve them.

2. NEW FINANCE IN DEVELOPING COUNTRIES AND EMERGING MARKETS FOR NET ZERO AND ADAPTATION.

   Significant or innovative new investments into net zero carbon and resilience projects, technologies or markets that contribute to bringing countries,
subnational entities and the private sector on a climate-resilient, net zero pathway. This could include:

- Announcements of immediate capital allocations for net zero and resilient activities, and significant or innovative new investments;
- Direct engagement between CEOs and governments in emerging markets and developing countries on investment pipelines to demonstrate potential;
- Public-Private Partnerships that result in tangible investment outcomes; and
- Contributions to initiatives that help mobilise the trillions in investment capital needed, e.g. through policy dialogue, deployment of new and scaled up investment vehicles, or capital market development.

3. COAL PHASE OUT
Financial institutions to demonstrate leadership by urgently phasing out of coal. All should sign up to the Powering Past Coal Alliance Finance Principles as a starting point, and follow science-based timelines for phase out. Leading GFANZ members should make coal phase out announcements and encourage others to come forward.

4. CLIMATE DISCLOSURE
Provide high quality disclosures in line with the full set of recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

5. NATURE-POSITIVE FINANCE
Ambitious and rigorous commitments by COP26 should include:

- committing to achieve zero deforestation impacts across portfolios (including investment and lending) by 2025;
- committing to become ‘nature positive’ by 2030, including by reversing biodiversity loss associated with investment and lending portfolios; and
- announcing material new investments in nature-based solutions.

We expect the quality ambition and specificity of announcements to increase over time and our priority is for robust net zero commitments.

As momentum builds towards COP26, with more ambitious and concrete country commitments to reach net zero, the role of finance will be increasingly vital. For institutions looking to join GFANZ via their relevant sub sector alliance, there will be particular moments to become a full participant in the Race to Zero. Institutions should engage with the relevant sub sector alliance for more details.

May 2021
MOMENTS

We are encouraging commitments to be linked to the below events. We are exploring ways to deliver amplification, including publicity videos, speaking opportunities, social media, and press comment. Signatories making significant commitments could benefit from significant recognition in social and mainstream media.

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>London Climate Action Week</td>
<td>26 June - 4 July</td>
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<tr>
<td>Asia-Pacific Climate Week</td>
<td>6-9 July</td>
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<td>G20 Venice Climate Conference</td>
<td>11 July</td>
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<td>Africa Climate Week</td>
<td>19-22 July</td>
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<td>Climate Week NYC</td>
<td>20-26 September</td>
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<td>COP26</td>
<td>1-12 November</td>
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HOW TO GET INVOLVED

If your organisation is on track to make a relevant pledge and is interested, please email: fccm@climatechampions.team

We will need evidence of board and/or executive approval, as well as details of the pledge, in order to help amplify any ambition commitments.

May 2021