

Founding Partners of the Investor Agenda publish updated Investor Climate Action Plans Expectation Ladder

- *The seven founding partners of the Investor Agenda have released an updated ICAPs Expectations Ladder*
- *The ICAPs Expectation Ladder has been updated to ensure that it remains aligned to the latest approaches, existing frameworks, and ICAPs Guidance, as well as incorporating deforestation actions for the first time.*
- *The ICAPs Expectation Ladder is designed for all investors, regardless of where they are on their climate transition, to help investors self-assess where they sit within the ICAPs focus areas.*

11 July 2023: The seven Founding Partners of The Investor Agenda – AIGCC, CDP, Ceres, IGCC, IIGCC, PRI & UNEP FI – have published an updated [Investor Climate Action Plans \(ICAPs\) Expectations Ladder](#). The ICAPs Expectations Ladder is intended to help investors act on climate by providing a single, comprehensive framework which draws on existing initiatives and guidance.

Updates include edits to the sub-focus criteria across different tiers and focus areas in line with the latest science and guidance. In addition, deforestation actions have been laid out clearly throughout the tiers to ensure that ICAPs are as comprehensive as possible in their approach.

Net zero targets cannot be met without early action on deforestation. As such, it is critical that effective climate transition plans must tackle deforestation to achieve the goal of a net zero emissions economy by 2050 or sooner. In doing so, investors' action will simultaneously support biodiversity and food security, while mitigating risk for institutions against financial, regulatory, reputational and supply chain and supporting preparations for forthcoming regulations.

The updated Expectations Ladder sets out high level expectations for investors to take on climate action across four focus areas – Investment, Corporate Engagement, Investor Disclosure and Policy Advocacy, with Governance as a cross-cutting theme. The Expectations Ladder is inclusive and designed for all investors, regardless of where they are on their climate change journey. That is why the Expectations Ladder sets out a summary of actions over four tiers from those beginning to think about climate (Tier 4) to the net-zero standard-setters (Tier 1).

Expectations set out in the Ladder may result in investors:

- Assessing their current approach to managing climate change risk and opportunity
- Publishing a standalone ICAP (often referred to as a climate transition plan or a net zero transition plan)

- Embedding elements of the ICAPs into their climate change strategies, investment beliefs, transition plans, and disclosures
- Communicating their current activities and plans to stakeholders

The ICAPs Expectations Ladder is supported by the [ICAPs Guidance](#), which was updated in July 2022. It is recommended that investors refer to the accompanying ICAPs Guidance document for more detailed information on how to implement the actions set in the Expectations Ladder and how to move across the ICAPs tiers. The Guidance also contains information on the resources underpinning the Expectations Ladder, including publications from the Investor Agenda Founding Partners, [Glasgow Finance Alliance for Net Zero](#) (GFANZ), [Net Zero Asset Managers Initiative](#) (NZAM), the [UN-convened Net- Zero Asset Owner Alliance](#) (NZAOA) and the [Paris Aligned Asset Owners](#) (PAAO).

Supporting quotes from the Founding Partners of The Investor Agenda:

Asia Investor Group on Climate Change (AIGCC) and Investor Group on Climate Change (IGCC) CEO and Investor Agenda Steering Committee member, Rebecca Mikula-Wright, said:

“Institutional investors know that climate risks and opportunities are financial risks and opportunities. The updated Expectations Ladder is an actionable, user-friendly and useful compendium of steps that all investors can take to make sure their climate action plan matches best practice and evolving expectations, whether they are starting out or are market leaders. The ICAPs Expectations Ladder supports investors in their critical role to deploy capital to support real-world emission reductions and climate solutions.”

CDP Head of Capital Markets, North America and Investor Agenda Steering Committee member, Pratima Divgi, said:

“CDP welcomes the updated ICAP Expectations Ladder, a refreshed framework that will guide investors’ climate action and enhance their ability to scale their climate-related commitments, including early action on deforestation. We are thrilled to back this updated ladder that improves investors’ understanding of financial opportunities and risks across their portfolio, enabling them to accelerate meaningful action towards supporting and achieving a net zero emissions economy.”

Ceres CEO and President and Investor Agenda Steering Committee member, Mindy Lubber, said:

“Investors realize the stark financial risks of the climate crisis and understand that there are opportunities unfolding in the economic transition to a net zero emissions economy by 2050 or sooner. The updated Investor Climate Action Plans Expectations Ladder helps all institutional investors integrate climate risks and opportunities into their portfolio management and transition planning, regardless of where they are on their climate journey, and describes the practices that

define leadership. We are gratified to see the Expectations Ladder guide so many investors as they continue their journey.”

Institutional Investors Group on Climate Change (IIGCC) CEO and Investor Agenda Steering Committee member, Stephanie Pfeifer, said:

“We are delighted to see so many investors taking concrete steps towards fulfilling their climate-related commitments. While recognising that investor commitments are made in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, no matter where investors are on their journey, we will continue to support them by working to find the practical solutions to the outstanding challenges and complexities that need to be overcome.”

Principles for Responsible Investment (PRI) CEO, David Atkin, said:

“Investors seeking to implement a full and comprehensive climate transition plan should do so with full consideration for the whole range of salient issues. These updates to the ICAPs Expectation Ladder capture these issues. The updates give comprehensive guidance for investor climate action and encompass the broader spectrum of considerations for investors, including nature and deforestation. Ultimately, these updates are designed to allow investors to clarify their current approach to climate action and identify where progress can be made, consistent with investors’ fiduciary duty to deliver long-term returns for their beneficiaries.”

United Nations Environment Programme Finance Initiative (UNEP FI) Head and Investor Agenda Steering Committee member, Eric Usher, said:

“UNEP FI wholeheartedly supports and endorses this important update to the ICAP Expectations Ladder. It’s crucial that investor tools remain up to date with the latest developments across existing frameworks, while incorporating deforestation actions in the ladder comes at a critical time for the world’s dwindling forests.”

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For further media inquiries please contact: news@theinvestoragenda.org

About The Investor Agenda

The Investor Agenda is a common leadership agenda on the climate crisis that is unifying, comprehensive, and focused on accelerating investor action for a net-zero emissions economy. The founding partners of The Investor Agenda are seven major groups working with investors: [Asia Investor Group on Climate Change](#), [CDP](#), [Ceres](#), [Investor Group on Climate Change](#), [Institutional Investors Group on Climate Change](#), [Principles for Responsible Investment](#), and [UNEP Finance Initiative](#). For more information, visit theinvestoragenda.org and follow [@InvestorAgenda](https://twitter.com/InvestorAgenda) on Twitter.