



## The Investor Agenda Founding Partners' Statement to US Policymakers on Infrastructure

We write to you as CEOs of network organizations with thousands of institutional investor members and signatories that manage tens of trillions of dollars of assets. We are collectively committed to taking advantage of investment opportunities stemming from a large infrastructure package assembled jointly by Congress and the Biden administration. This bipartisan deal includes \$15 billion for electric vehicle infrastructure, significant new investments for public transit and intercity rail, and new funding to modernize the electric grid. But this historic effort must include visionary climate policies matching the scale and urgency of the systemic and economic risks that lie ahead. It must go well beyond repairing existing infrastructure that does not appropriately account for the changing climate of our future. It must also include provisions for clean energy, a clean electricity standard, transport repair and upgrade, water and EV infrastructure, building modernization, land conservation, job training, and research and development. The time is now for US policymakers to take decisive action.

From our perspective, investors support infrastructure bills that include clear, investable opportunities congruent with the goal of limiting average global temperature increase to no more than 1.5°C by 2050. We support President Biden's pledge to [halve US emissions by 2030 and achieve a net zero emissions economy by 2050 or sooner](#). We urge Congress to move ahead with comprehensive infrastructure plans and packages that include strong climate-focused and environmental justice policies and which go beyond the current bipartisan infrastructure framework. Doing so advances the national interest of fostering strong economic and inclusive growth, creating good-paying 21st-century jobs, and enhancing American competitiveness in the global economy. For our investors, these bills can create opportunities for strong risk-adjusted returns as they invest their private capital alongside the public investments.

Recently, 457 investors with \$41 trillion in assets sent powerful signals to global policymakers through the [2021 Global Investor Statement to Governments on the Climate Crisis](#) demanding urgent carbon reductions and rapid progress towards achievement of the Paris Agreement goals. Investors are calling for elimination of fossil fuel subsidies and are demanding durable and science-based targets for energy transition policy pathways for the power, transportation and other heavy-emitting sectors. Such necessary US policies will encourage other nations to take more aggressive steps to reduce their own emissions. Conversely, failure to agree to a comprehensive infrastructure bill with strong climate-focused and environmental justice policies would limit President Biden's diplomatic influence ahead of COP26 and thereby exacerbate the global systemic and economic risks posed by the climate crisis.

Building a net-zero America will require immediate, large-scale mobilization of capital and policy and societal commitments, including as much as \$2.5 trillion in additional capital investment into energy supply, industry, buildings, and vehicles over the next decade relative to business as usual. We believe the entirety of the final bipartisan infrastructure package must be broad and bold.

## **Key Tenets of Infrastructure Legislation:**

### **Clean Electricity Standard:**

- Establish an Energy Efficiency and Clean Electricity Standard aimed at lowering electricity bills and reducing pollution, while encouraging marketplace competition and creating incentives for more efficient use of existing infrastructure.
- Reduce power sector greenhouse gas emissions by 80% by 2030 (relative to 2005 levels)
- Transform the US electric power grid to 100% clean energy by 2035.
- Meet rigorous standards for worker, public, and environmental safety.

### **Green Jobs and Innovation:**

- Invest more than \$500 billion in the manufacturing sector, worker training, and research and development with an emphasis on career-sustaining jobs with certified apprenticeship programs and on ramps to ensure that underserved communities get necessary access.
- Strengthen the US position in the economies of the future in the global race to build and lead industries like semiconductors and advanced batteries.
- Mobilize the next generation of conservation and resilience workers to conserve our public lands and waters, bolster community resilience, and advance environmental justice through a new Civilian Climate Corps.
- Promote job creation in the battery and electric vehicles (EV) industries, prioritize domestic supply chain development and retool factories to compete globally.

### **Clean Transportation:**

- Reverse the decay of roads, bridges, urban transport and commuter rail systems that now have a trillion-dollar backlog of needed repairs and thereby revitalize the corridors that get American people and products from place to place.
- Reduce reliance on, and subsidy of, the fossil fuels that drive climate change, and decarbonize transport, including medium and heavy-duty vehicles.
- Invest in EV charging stations (up to 500,000 in total) and support EV manufacturing
- Expand public transport offerings nationally and locally while promoting affordable access to and redressing inequity in public transportation infrastructure.

### **Environmental Justice:**

- Combat inequality and assist disadvantaged communities in accessing the jobs created by the infrastructure bill; include communities that have relied on fossil fuels and have been impacted by local pollution.
- Assist with adaptation plans for communities most physically and financially vulnerable to climate-driven disasters.
- Reconnect and reunite neighborhoods to build much needed local community physical infrastructure.

### **Sustainable Buildings/Housing/Utilities:**

- Decarbonize buildings and create good jobs building, rehabilitating, and retrofitting housing, commercial buildings, and child care facilities.

- Upgrade and repair water and wastewater infrastructure and reduce environmental hazards.
- Build and expand broadband internet infrastructure to bridge the urban-rural digital divide.
- Modernize the electrical grid for greater reliability and wider deployment of low-carbon electricity generation.

Investors are eager to help finance the shift to a just and inclusive net zero economy. They believe that inaction and failure to accept science-based facts will prove far more costly in the long-term than making these investments now, and urge broad, bold and bipartisan climate action.

**Thomas P. DiNapoli, Comptroller of New York State:**

"The US Congress stands at a crossroads on infrastructure. Where we stand today, we are not making investments to clean up our electric grid, we fail to lead in electric vehicle deployment and technology, we allow concerns over outmoded industries to stall progress and let other nations lead and profit from the growing clean energy economy. A smarter path leads to growing prosperity for all Americans with the US leading the way to a global clean energy future. Investors stand to significantly benefit from these investments, which will provide the foundation for economic success in the coming net zero economy. I strongly urge our congressional leaders to chart a course that will help the US lead in the creation of a cleaner future."

**Julie Gorte, PhD, Senior Vice President, Sustainable Investing, Impax Asset Management:**

"Infrastructure is the stuff that makes everything else work. It will work best if it's clean, low-impact, and net zero carbon, and supports good jobs and civil society. We endorse this call to take an expansive view of the importance of strong infrastructure as an essential part of the transition to a more sustainable economy."

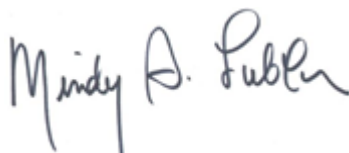
**Kirsty Jenkinson, Investment Director, CalSTRS:**

"A globally competitive and investable economy requires modern infrastructure that is resilient to the climate shocks that we currently face and that will only grow if we do not decarbonize our economy with smart investments. Investors are ready to make larger investments if clear signals on infrastructure are sent now by policymakers."

Sincerely,



Paul Simpson  
CEO, CDP



Mindy S. Lubber  
CEO and President, Ceres



Fiona Reynolds  
CEO, Principles for Responsible Investment