We, the signatories of this Statement, investors with more than R$ 873 billion in assets under management (AUM), and potential investors in assets that contribute to climate change mitigation...

...We understand that the climate emergency is one of the greatest risks to the stability of the financial system and we recognize the importance of participation by all of society in the effort to transition fairly to a low-carbon economy and in a timely manner to avoid the worst social, environmental, economic, and geopolitical impacts predicted by science due to global climate change.

We emphasize the urgent need for collaboration between the public and private sectors to reduce greenhouse gas (GHG) emissions this decade in order to halt the financial and reputational impacts already affecting companies and investors. Likewise, only the consolidation of public and private forces can mitigate the already verified effects of climate change.
Furthermore, the effects of the COVID-19 pandemic have clearly exposed the interdependence of society as a whole, which makes global engagement and the need for good planning, execution, and risk management related to the climate emergency even more relevant. This is a major challenge for the maintenance of economic systems, while at the same time presenting an opportunity for the financial sector to direct resources to an economic recovery supported by the best sustainability practices.

To ensure responses to meet this challenge, public policies need to be designed and revised taking into account the impacts, consequences, and perspectives imposed by the climate emergency.

We hereby request the immediate attention of public entities - especially the federal government - to the points mentioned below:

- **Standing in favor of the development of global, regulated carbon markets through Article 6 of the Paris Agreement at COP26.**
- **Regulate domestic carbon pricing mechanisms in other economic sectors, using the lessons learned from the implementation of RenovaBio, for example.**
- **Strengthen the environmental enforcement structure to eliminate illegal deforestation and seek an immediate reduction in deforestation rates.**
- **Commit to the implementation of net zero targets by 2050, with clear and ambitious goals and intermediate targets, with due transparency to improve communication with the national and international market.**
- **Redesign economic and fiscal instruments so as to stimulate sustainable, low-carbon private investments.**
- **Design and implement a post-covid 19 pandemic recovery plan that supports the transition to a low-carbon economy coupled with climate resilience (“sustainable recovery”), highlighting the opportunities it represents for Brazil.**

In recent years technology, innovation and social change have paved the way for new opportunities linked to the transition to a more inclusive, circular and low-carbon economy. It is crucial to pave the way for more assertive investments, with the participation of the financial and capital markets.

Brazil needs to ensure that these opportunities are seized, with results that are positive and lasting, guaranteeing a relevant position in the climate race and safeguarding the future of the next generations and economic and sustainable development.
IPC - Investors for Climate is an initiative of SITAWI Finance for Good, with support from the Institute for Climate and Society (ICS), through its Zero Emissions Economy Program. Some international movements have already been working with investors to reduce the carbon footprint of their portfolios. These movements understand that both managers and asset owners have their share of responsibility in the global warming process, since they are funders of the real economy. In Brazil, however, this discussion is still incipient. Based on this challenge, SITAWI and ICS have taken the lead in engaging national investors to contribute to the goals of the Paris Agreement. The IPC was developed as a pioneering approach, with the main objective of engaging and to enable local professional investors to advance the agenda of portfolio decarbonization, while seeking better risk-adjusted returns. The movement, which began in the second half of 2019, is formed by a plural group of 32 Brazilian investors, including asset managers, pension funds, insurance companies and family offices, with assets under management over R$3 trillion.