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Investors: Victoria's emissions reductions targets in line with global market trend to net zero emissions

Recommendations on 2030 emissions reduction targets for Victoria released today by the Independent Expert Panel's report on Interim Emissions Reduction Targets (2021-2030) are in line with market trends as the world moves towards a net zero emissions economy and should deliver greater investment certainty, say investors.

"Global markets are shifting to low carbon options and investors are increasingly aligning investment decisions around zero carbon strategies," said Emma Herd, CEO of the Investor Group on Climate Change. "If Victoria Implements credible 2025 and 2030 emissions reductions targets this would be a positive market signal to investors in Australia and around the world and should unlock investment opportunities."

The Investor Group on Climate Change (IGCC) is a collaboration of Australian and New Zealand investors focused on the impact that climate change has on the financial value of investments. The IGCC represents institutional investors with total funds under management of over \$2 trillion and which cover over 7.5 million people in Australia and New Zealand.

"Credible targets aligned with the objectives of the Paris Agreement provide the private with greater certainty on the rate and pace of change ahead. Emission targets also allow for better transition planning for impacted communities and this can support new investment in these regions."

"Delaying action means investors will take a wait and see approach and look to invest elsewhere."

"Globally, there remains a significant gap between the action governments are currently taking and the objectives of the Paris Agreement. This is of great concern for investors, as global warming above 1.5-2°C would have large and detrimental impacts on the economy, community and investment portfolios."

"To deliver investor confidence, governments must deliver credible and durable policy support for a net zero emissions and climate resilient economy. Ultimately, Australia needs a national approach to climate change which is aligned with the objectives of the Paris Agreement. Investors will work with all governments to pursue a policy response that deliver a prosperous economy," Ms Herd said.

The Investor Group on Climate Change looks forward to participating in further consultation with the Government of Victoria.

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Note to editors:

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