Investor statement on deforestation and forest fires in the Amazon
This statement is endorsed by 253 investors representing approximately US $17.7 trillion in assets.

It is with deep concern that we follow the escalating crisis of deforestation and forest fires in Brazil and Bolivia. As investors, who have a fiduciary duty to act in the best long-term interests of our beneficiaries, we recognise the crucial role that tropical forests play in tackling climate change, protecting biodiversity and ensuring ecosystem services.

The recent reports from the Intergovernmental Panel on Climate Change (IPCC) and Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Service (IPBES) highlight the close links between unsustainable land use and climate change. With CO_2 emissions rising and biodiversity declining faster than any time in human history[1], these reports highlight the urgency in promoting sustainable land management to halt biodiversity loss, enhance food security and meet the goals of the Paris Agreement[2].

The Amazon, as the world's largest rainforest, is a global repository of biological diversity, and provides invaluable ecosystem services which underpin economic activities across the globe. As the largest tract of continuous rainforest in the planet, the Amazon plays a critical role in the Earth's climate system. Deforestation in the region could potentially bring the entire ecosystem dangerously near to a tipping point, after which the rainforest will not be able to maintain itself, gradually turning into a more Savannah-like system which is much dryer, less biodiverse, and stores significantly less carbon. This would severely disrupt the agricultural sector and other economic activities, by reducing rainfall and increasing temperatures in the longer-term.

We are concerned about the financial impact deforestation may have on investee companies, by potentially increasing reputational, operational and regulatory risks. Considering increasing deforestation rates and recent fires in the Amazon, we are concerned that companies exposed to potential deforestation in their Brazilian operations and supply chains will face increasing difficulty accessing international markets.

We commend the recently released statement by the Brazilian Business Council for Sustainable Development (CEBDS), on behalf of its associated 60 companies, which advocates for the improvement of control and monitoring systems to immediately eliminate illegal deforestation and fires in the Amazon and other biomes, and reduce legal deforestation. We would also like to express our support for the recently released manifesto by the Brazilian Coalition on Climate, Forests and Agriculture, which includes important stakeholders and companies from the Brazilian agribusiness sector, who have also pledged the national government to regain control of the situation as a matter of urgency.

Companies producing, trading and using agricultural commodities have been under increasing pressure from stakeholders to demonstrate deforestation-free supply chains. While several hundred companies have committed to end commodity-driven deforestation by 2020, recent research indicates that very few companies are on track to reach this goal. Several global institutional investors have already laid out their expectations of companies with respect to eliminating deforestation from their operations and supply chains. We therefore call for business leadership to reverse the worrying deforestation trends we are witnessing.

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[1] Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services Summary for policy makers of the global assessment report on biodiversity and ecosystem services
[2] Intergovernmental Panel on Climate Change Climate Change and Land

As investors, we see deforestation and the associated impacts on biodiversity and climate change as systemic risks to our portfolios and see the reduction of deforestation as a key solution to managing these risks and contributing to efficient and sustainable financial markets in the longer term. Considering the growing risks due to increased deforestation in Brazil, Bolivia and other Amazonian countries, we therefore urgently request companies to redouble their efforts and demonstrate clear commitment to eliminating deforestation within their operations and supply chains, including by:

1. Publicly disclosing and implementing a commodity-specific no deforestation policy with quantifiable, time-bound commitments covering the entire supply chain and sourcing geographies.
2. Assessing operations and supply chains for deforestation risk and reduce this risk to the lowest possible level, disclosing this information to the public.
3. Establishing a transparent monitoring and verification system for supplier compliance with the company's no deforestation policy.
4. Reporting annually on deforestation risk exposure and management, including progress towards the company's no deforestation policy.

Signed by:

a.s.r. asset management

Aberdeen Standard Investments

ACTIAM

Aegon Asset Management

Affirmative Investment Management

Aktia

Allegra Wealth

AMF

Amundi

AP Funds' Council on Ethics

AP2

AP3 Third Swedish National Pension Fund

AP4 - Fourth Swedish National Pension Fund

AP7, Seventh Swedish National Pension Fund

APG Asset Management

Apis Partners LLP

Arisaig Partners

As You Sow

Ashmore Group

Atkinson Foundation

Aurum Fund Management Ltd.

Australian Ethical Investment

AustralianSuper

Aviva Investors

B & Capital

B&I Capital

Baillie Gifford

BaltCap AS

Bâtirente

BayernInvest Kapitalverwaltungsgesellschaft mbH

BCEE Asset Management S.A

Blue Oceans Capital

BMO Global Asset Management

BNP Paribas Asset Management

Boston Common Asset Management

Brunel Pension Partnership

Caisse des Depots

CaixaBank Asset Management

California Public Employees' Retirement System

CANDRIAM

CCLA Investment Management

CCOO, FP

Charles Stanley

China Alliance of Social Value Investment (Shenzhen)

China Asset Management Co., Ltd.

Christian Brothers Investment Services, Inc. (CBIS)

Christian Super

Church Commissioners for England

Church of England Pensions Board

Church of Sweden

Circularity Capital LLP

Cliens Kapitalförvaltning AB

COMGEST

Conser Invest

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CRF for Local Government

Daintree Capital

Deka Investment GmbH

Devon Funds Management

DNB Asset Management

Domini Impact Investments LLC

DPAM

ECOFI Investissements

Econopolis

EFG AM

EQ Investors Limited

ERAFP

Erste Asset Management GmbH

ESG Moneta Co., Ltd.

ESG Portfolio Management

Environment Agency Pension Fund

Ethos Fund[3]

[3] Ethos also represents the members of the Ethos Engagement Pool International, which can be found here: https://www.ethosfund.ch/en/members-ethos-engagement-pool-international.

Evenlode Investments

Everence and the Praxis Mutual Funds

Evli Bank

FAMA Investimentos

Fidra

Figure 8 Investment Strategies

FiNet Asset Management AG

First Affirmative Financial Network

First State Investments

Folksam

FONDO DE PENSIONES DE EMPLEADOS DE TELEFONICA

FORBION

Forsta AP-fonden

Friends FIduciary Corporation

Friends Provident Foundation

Genesis Investment Management, LLP

GEROA PENTSIOAK EPSV DE EMPLEO

Gjensidigestiftelsen

Glennmont Partners

Green Century Capital Management

Guardian Media Group

GW&K Investment Management

Hancock Natural Resource Group, a Manulife Investment Management Company

Handelsbanken Asset Management

Hermes Investment Management

HESTA

Hexavest

HSBC Global Asset Management

Impact Investors

Impact Shares

Impax Asset Management

Impax Asset Management LLC

Indép'AM

Insight Investment

Institute of Green Investment, Hangzhou

Integral Group

Interfaith Center on Corporate Responsibility

Invest in Visions GmbH

ISGAM AG

JLens Investor Network

Joseph Rowntree Charitable Trust

KBIGI

Khumo Capital (Pty) Ltd

KLP

La Financiere de L'Echiquier

La Française Group

Länsförsäkringar AB

Legal & General Investment Management

LGPS Central

Liontrust Investment Partners LLP

LocalTapiola Asset Management Ltd

Lothian Pension Fund

LUCRF Super

Macquarie Investment Management Europe S.A., ValueInvest

MAIF

Maitri Asset Management

Man Group

Manulife Investment Management

Mayar Capital

Mercy Investment Services, Inc.[4]

Merian Global Investors

Merseyside Pension Fund

MFS Investment Management

Midat Cyclops, FP

Middletown Works Hourly and Salaried Union Retirees Health Care Fund

Mitsubishi UFJ Trust and Banking Corporation

Mirova

Montrusco Bolton Investments Inc.

MN

[4] Includes: Adrian Dominican Sisters, Portfolio Advisory Board; Congregation of St. Joseph; Daughters of Charity, Province of St. Louise; Jesuits of the USA Central and Southern Province; USA Midwest Province of the Society of Jesus; USA West Province of the Society of Jesus.

Muzinich & Co

MP Pension

Neumeier Poma Investment Counsel, LLC

NEI Investments

New Zealand Funds Management Limited

New Zealand Super Fund

Niederösterreichische Vorsorgekasse AG

New Forests

Nordea Asset management

NewAlpha Asset Management

Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC)

NN Investment Partners

OFI AM

North East Scotland Pension Fund

OPTrust

Oregon State Treasurer Tobias Read

ODIN Fund Management

Osmosis Investment Management

Ohman Fonder

Ownership Capital

OREIMA

PCJ Investment Counsel

Pension Protection Fund

Picard Angst AG

OSTRUM Asset Management

P+(DIP/JØP)

Pandhora Investimentos

Polden-Puckham Charitable Foundation

Pensions Caixa 30

Raiffeisen Capital Management

Pictet Asset Management

PKA

Rathbone Brothers Plc

RBC Global Asset Management

Principled Investing LLC

Rivage Investment SAS

RAM Active Investments SA

Robeco

Remy Brown Investment Group

Resona Bank, Ltd.

RRSE (Regroupement pour la Responsabilite Sociale des Entreprises)

River and Mercantile Group Plc

SBI Funds Management Private Limited

RobecoSAM AG

Seventh Generation Interfaith Inc.

Sanso Investment Solutions

Skandia

SKP Investimentos

SDG Invest

SEB Investment Management

Societa Cattolica di Assicurazione - Societa cooperativa

Sonen Capital

Sindicatum Renewable Energy

Sparda-Bank Muenchen eG

SMART PRIVATE MANAGERS (LUXEMBOURG) S.A.

Sophia Financial Group

Sophia University

Stephen Whipp Financial, Leede Jones Gable Inc.

Sparebank1 Forsikring

Storebrand Asset Management

Stance Capital, LLC

Statewide Super

Strathclyde Pension Fund

Stewart Investors

SustFin

Storm Capital Management AS

Swisscanto Invest by Zürcher Kantonalbank

SYZ Asset Management

SulAmérica Investimentos

Sustainable Value Investors

TD Asset Management

Swedbank Robur Fonder AB

The Local Authority Pension Fund Forum

Tareno AG

The Swedish Foundation for Strategic Environmental Research (Mistra)

The Episcopal Church (DFMS) and The Episcopal Diocese of New York - Diocesan Investment Trust

Tradeka Corporation

The Sustainability Group of Loring, Wolcott & Coolidge

Tressis

Trilha Investimentos Itda

TOBAM

Trinetra Investment Management

Transport for London Pension Fund

Triple Jump

Trillium Asset Management

UBP S.A.

Triodos Investment Management

Unison Staff Pension Scheme

Trust Investments Management Limited

TRUSTEAM FINANCE

USS

Union Investment

Vantage Capital

University of Toronto Asset Management Corporation

VBV Pensionskasse

Vallis Capital Partners

VISIO FUND MANAGEMENT

VBV - Vorsorgekasse AG

Velliv

VidaCaixa

Wespath Benefits and Investments

Zevin Asset Management, LLC

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