

Dear Mr. Druley,

**Open letter to David Druley, CEO,  
Cambridge Associates**

**Cambridge Associates' failure to provide climate leadership**

As you know, the Task Force on Climate-related Financial Disclosures (TCFD) sets the ambitions for the business and finance world in a way which has been carefully calibrated to take account of corporate/investor concerns. Many independent commentators have said it hasn't gone far enough (eg voluntary rather than mandatory reporting) but the task force was keen to ensure widespread buy in from the for-profit world. By increasing transparency – in the words of TCFD's Chair Michael Bloomberg – we can start the process of making markets more efficient, economies more stable and businesses more resilient to systemic risks like climate change. Cambridge Associates has evidenced its corporate competence on climate issues in, for example, its 2015 report *Playbook for the Truly Long-Term Investor*.

At the Davos World Economic Forum (WEF) Marsh & McLennan produced the global risk report, setting out in no uncertain terms that "[environmental risks dominate the Global Risk Perception Survey for the second year running](#)", with all five environmental risks appearing – for the first time – in the top quadrant for impact and likelihood, highlighting that there is a growing level of awareness around the impacts that environmental risks can have on businesses and economies.

In light of the above, we find it very hard to understand why, when TCFD's final report was launched in June last year, your personal endorsement was noticeable by its absence. As you will know, other US CEOs did not hold back their support. And despite a change in its criteria for support – removing the requirement for CEO responsibility sign-off – we note that Cambridge Associates' support is still missing. The firm is also notably absent in the list of twelve investment consultant signatories to the UKSIF's joint statement supporting the UK Pensions Regulator's latest guidance aimed at addressing the risks around long term sustainability, including environmental, social and governance issues.

We raise this issue in the context that the US corporate and investment world has lagged and continues to lag global peers on climate. For example, of the ten largest investment consultants in the world only one – Willis Towers Watson – has signed up to the TCFD's recommendations. In fact, there appears to be less climate advocacy and agency amongst investment consultancies compared with the top ten largest investment management firms – with six of the top ten largest by AUM signed up to TCFD.

The failure to recognise the risks posed by climate is endemic in corporate America – [just 6% of directors think climate change is material](#) – and predates the current Administration. Corporate fence sitting has helped to create the context where [vested interests have been able to define the Republican Party's position on climate](#) and thus [polarise the public debate](#).

Hence, we are writing to you to ask 2 things:

1. Expedite the sign off on TCFD by Cambridge Associates to show that the corporation really backs the investment industry's commitment to tackling the climate crisis. If this does not happen, there is a real risk that the organisation will be viewed as engaging in corporate hypocrisy – gaining the reputational benefits of clear thought leadership on climate but corporately sitting on the fence.
2. Investigate and share, at least with your own staff and your clients, why your firm has found it so hard to sign up despite your public profile on this issue. No doubt there will be factors that others need to act on, e.g. weak signals from even your climate aware clients, and which this investigation could usefully document. As we have highlighted above, corporate America is struggling with the same issues and this could, arguably, be your biggest contribution yet to the sustainability debate.

As you know much better than I, investment consultants are very influential and able to substantially sway the opinions of fund managers and asset owners alike, especially in markets like the USA. That is why I am writing to the CEOs of the ten largest consultancies to challenge you and your fellow CEOs to take your share of responsibility for addressing the major systemic risks posed by the climate crisis. Even for those firms who have "[pockets of ESG excellence](#)" – as you do given your work with WWF USA – this is not enough. Consultants must support the changes we need to see in market structures and industry norms and TCFD is the obvious example. Without this, we will not address climate change in time. With clients that have fiduciary responsibilities for being long-term and demonstrating inter-generational equity, your firm must do its bit to ensure the transition to a low carbon economy is as orderly as possible.

To conclude, it is now Cambridge Associates' time to play by the rules of its own 'Playbook' and show leadership that mirrors the ambitions set out by the TCFD. Not to sign sends signals to fund managers and others, and we therefore hope you will take immediate corrective action.

Yours sincerely,

A handwritten signature in black ink that reads "David J. Murray". The signature is written in a cursive style with a large, sweeping flourish at the end.

David Murray, Chief Executive, Preventable Surprises