Investor Network on Climate Risk

Presentation to the International Strategy Meeting: Investor Initiatives on Climate Risk

Paris
February 1, 2005
2004 Results

- **Investor Network on Climate Risk (INCR)**
  - Investors implement 2003 Call for Action - targets: Wall Street firms, corporate boards, SEC/Congress
  - Large investors support (CalPERS, CalSTRS)
  - Council of Institutional Investors highlights INCR and pension funds engaging top Wall Street money managers on climate risk
  - International collaboration on investor action to address climate risk (with UN Foundation, UNEP, UNFIP, UN Global Compact)
  - Harvard University Fiduciary Workshop on Climate Risk for public pension fund trustees

- **Global Warming Shareholder Campaign - 2004 Victories**
  - Electric Power: Cinergy calls for mandatory carbon cap; AEP report
  - Oil: changed practices at Valero, ConocoPhillips, Devon, ChevronTexaco, Anadarko
  - Auto: CalPERS/CalSTRS engage with Ford and GM on climate in coordination with Ceres and ICCR
  - Record votes in 2004 (37% at Apache; 31% at Anadarko)
  - Record number of resolutions filed in fall 2004 for 2005 season
Results - Continued

• **Built Investor Support for Improved Climate Risk Disclosure**
  
  – Recruited U.S. investors to back Carbon Disclosure Project

  – “SEC and Climate Risk Disclosure” Forum at Aspen Institute in Wash. DC

• **Released new Ceres reports**
  
  – *Investor Guide to Climate Risk*

  – *Unexamined Risk: How Mutual Funds Vote on Global Warming Resolutions*

• **Launched INCR Research Consortium and released first report**
  
  – Convened by Ceres and World Resources Institute

  – *Questions & Answers for Investors on Climate Risk*
Goals for 2005

• **Build Investor Network on Climate Risk (INCR)**
  – International partnerships - Feb. 1, 2005 Paris meeting
  – CalPERS/CalSTRS/Ceres/INCR Event - March 30, 2005
  – Coordinate investor engagement of Wall Street on climate
  – Build INCR working groups

• **Investor Summit on Climate Risk - May 10, 2005, UN**
  – More international

• **Climate Risk Disclosure Regulation Campaign**
  – Move SEC toward providing guidance on climate risk disclosure

• **New Research Reports**
  – Corporate Governance and Climate Change by Sector (e.g. Auto, Oil, Insurance)
  – Risks/Costs to Investors of U.S. Policy Uncertainty on Climate

• **2005 Global Warming Shareholder Campaign (GWSC)**
  – Working with UK Local Authority Pension Fund Forum on shareholder resolutions to U.S. companies.
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