



Investor Network on  
**CLIMATE RISK**



Investor Group on  
Climate Change

## News Release

# WORLD'S LARGEST INVESTORS ISSUE GUIDELINES FOR COMPANY ACTION ON CLIMATE CHANGE

**London, New York - 11 January 2012**

The world's largest investors have today issued a document detailing their expectations of how companies should approach responding to climate change. The document provides a unified global investor voice on the issue for the first time, in response to concerns about the impact of climate change on their investments.

Co-ordinated by three leading investor groups on climate change, the US-based Investor Network on Climate Risk (INCR), the European Institutional Investors Group on Climate Change (IIGCC) and the Investors Group on Climate Change (IGCC) in Australia and New Zealand, the document outlines seven steps investors expect companies to take to minimise the risks and maximise the opportunities presented by climate change and climate policy. The seven steps are in the areas of governance, strategy, goals, implementation, measurement, disclosure and public policy.

By moving beyond disclosure and outlining clearly the areas in which investors expect to see companies take action, the guidelines provide a platform from which investors can monitor the performance of companies and engage with them to encourage positive steps on climate change. Investors are already taking action by monitoring alignment with their expectations through initiatives such as the Carbon Disclosure Project, and collaborating to engage with companies through investor networks and the UN Principles for Responsible Investment.

The expectations detailed today are of particular importance for companies in carbon-intensive sectors, and those who have not have adopted carbon reduction targets or a systematic approach to managing climate change risks.

The statement will be formally launched tomorrow (1/12) at the Investor Summit on Climate Risk & Energy Solutions, a meeting of 450 global investors at the United Nations in New York.

**Craig Mackenzie, head of sustainability at \$200bn Scottish Widows Investment Partnership and one of the authors of the statement, said:**

"This statement aims to ensure companies are left in no doubt exactly what investors expect of them on climate change. Leading companies have told us that systematic energy efficiency measures enable them to reduce emissions and increase profits at the same time. These guidelines spread this message, and help us identify and engage with companies which appear to be lagging behind. By taking action now we will protect shareholder value today, while helping

mitigate the profoundly negative consequences severe climate change poses for the global economy in the future.”

**Donald MacDonald, Chairman of the IIGCC, said:**

“This document enables investors to communicate more clearly the actions they expect companies to be taking on climate change. By following these seven steps companies can both reduce the impact of climate change and seize opportunities for growth. As the climate change talks in Durban demonstrated, there is global determination at a political level to move towards a low carbon economy. It is therefore more important than ever for investors and companies to ensure they are well-placed to identify and act upon climate change risks and opportunities. By providing a unified investor voice and a framework for engagement, this document will help investors and companies to achieve this.”

**Jack Ehnes, CEO of the California State Teachers' Retirement System (CalSTRS) and a member of the INCR executive committee said:**

"These guidelines are a clear message to companies that investors expect them to step up and better navigate this complex climate challenge. From the severe drought in Texas to massive flooding in Thailand, U.S. investors are acutely aware of climate impacts on the global economy and corporate bottom lines. More than ever, shareholders are watching closely to see which companies are leading or lagging in managing climate change, which creates both enormous risks and opportunities for global businesses."

**For further information please contact:**

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**Notes to editors:**

To see a copy of the statement please contact one of the above named individuals, the IIGCC, or visit <http://www.iigcc.org/publications/policy-statements>

**About the investor groups:**

**The Institutional Investors Group on Climate Change (IIGCC) [www.iigcc.org](http://www.iigcc.org)**

The Institutional Investors Group on Climate Change (IIGCC) is a forum for collaboration on climate change for investors. IIGCC brings together European investors to engage with policymakers, companies and investors on addressing long-term risks and opportunities associated with climate change. The group currently has over 70 members, including many of the largest pension funds and asset managers in Europe, representing assets of around \$10 trillion.

**Investor Network on Climate Risk (INCR) [www.incr.com](http://www.incr.com)**

The Investor Network on Climate Risk (INCR) is a North American network of institutional investors focused on addressing the financial risks and investment opportunities posed by climate change. INCR currently has over 100 members with more than US\$10 trillion in assets. INCR is a project of Ceres, a coalition of investors and environmental groups working to integrate sustainability into the capital markets.

**Investor Group on Climate Change Australia/New Zealand (IGCC) [www.igcc.org.au](http://www.igcc.org.au)**

The IGCC represents institutional investors, with total funds under management of approximately \$700 billion, and others in the investment community interested in the impact of climate change on investments. The IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuants and unit holders.