

Press Release

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Investor delegation to present largest ever investor petition on climate change to UN negotiators at Poznan conference

BOSTON/LONDON/MELBOURNE— For the first time ever, an investor delegation will personally present a call for action on climate change to world leaders at the UN climate conference in Poznan. The Statement, signed by 150 global investors worth over \$9 trillion, calls on world leaders to negotiate a strong and binding successor to the Kyoto Protocol to ensure that investors receive the market signals critical to funding the transition to a low-carbon economy.

The Statement was previously signed by 135 investors representing \$6.4 trillion in assets, and sent to Heads of State and climate negotiators, on November 11th. Since that time, an additional 15 investors worth \$3.1 trillion added their endorsements, including Allianz SE and AXA Investment Managers, two of the world's largest institutional investors. For a full list of signatories, please see the attached Statement.

Three leading investor groups on climate change, the European Institutional Investors Group on Climate Change (IIGCC), the US-based Investor Network on Climate Risk (INCR), and the Investor Group on Climate Change (IGCC) in Australia and New Zealand, co-ordinated the statement.

The Statement comes at a critical time, when the EU has to show leadership by agreeing on a strong Energy and Climate Change package, as the new US administration assembles its team and as the Australian government comes under pressure on its proposed emissions trading scheme. The Investor Statement will be sent to EU Heads of State and the President-elect Obama's official representatives to the UN climate conference, senators John Kerry and Amy Klobuchar, will be among those receiving the statement for the first time.

Peter Dunscombe, Chairman, Institutional Investors Group on Climate Change, said that "This Statement is the one of the strongest signals yet of the importance that the investment community attaches to a timely and effective climate deal. Our delegation will urge policymakers to make substantial progress in the negotiations to support us in moving capital towards a low carbon economy".

Mindy Lubber, Ceres President and Director of the Investor Network on Climate Risk said, "Now is not the time to shy away from ambitious plans to tackle climate change. Investors are ready to jumpstart the global economy and combat the climate crisis with ramped-up clean energy investments, but they need the market signals that a strong international agreement on climate change would send."

Frank Pegan, Chair IGCC (Australia/New Zealand), said that, "As trustees and managers of considerable investment funds globally it is significant that the investment community has come together to present a unified voice at the UN climate conference in Poznan. We seek to promote and participate in effective action on climate change and in order to do so require international delegations to agree a strong and certain framework to facilitate this action".

Rob Lake, Head of Sustainability, APG Investments stated that "We hope the Poznan conference will set out a clear roadmap towards a strong new international policy framework on climate change. The new framework needs to include clear and ambitious greenhouse gas reduction targets, and robust national action plans for achieving them. As investors this will give us the confidence we need to be able to step up our investments in renewable energy, energy efficiency and the other areas that are vital if climate change is to be tackled seriously".

Jack Ehnes, Chief Executive Officer, California State Teachers' Retirement System said that "The interdependency of the world's economies is now painfully clear in this crisis driven in part by those reaching for short-term, quick profits. CalSTRS takes the long view and understands the danger of climate change to our members' retirement security. The path to global financial recovery must include a coordinated effort to assess climate risk and take steps to mitigate that risk."

The Statement outlines in detail what investors are looking for from policymakers in order to allocate capital in a way that supports both the transformation to a low carbon economy and the development of adaptation measures. This includes:

- A binding global target for reducing greenhouse gas emission reductions informed by the latest available scientific evidence for avoiding dangerous climate change (which suggests that global greenhouse gas emissions must decline by 50-85% by 2050 against a base year of 2000);
- Long and medium-term emission reduction targets for developed countries which will be backed up by effective national action plans;
- Contributions from developing countries, initially in the form of national action plans focused on energy efficiency commitments, but with the ultimate aim of absolute emission reductions;
- Continuity in the legally binding framework underpinning the carbon markets and provisions for an expanded and more liquid global carbon market;
- A review, reform, and expansion of the Clean Development Mechanism;
- Clear measures to reverse deforestation and value forests as carbon sinks;
- A commitment to adaptation in order to prepare for, and respond to the physical impacts of climate change.

The updated version of the *Investor Statement on a Global Agreement for Climate Change* will have been sent to lead climate negotiators, legislative and parliamentary leaders, and Heads of State.

END

NOTES TO EDITORS

The **Investor Network on Climate Risk (INCR)** is a \$7 trillion network of institutional investors and financial institutions that promotes better understanding of the financial risks and investment opportunities posed by climate change. INCR is coordinated by Ceres, a coalition of investors and environmental groups working to advance sustainable prosperity.

The **Institutional Investors Group on Climate Change (IIGCC)** is the leading group for collaboration between pension funds and other institutional investors in Europe and focuses on addressing investment risks and opportunities associated with climate change. The group currently has 49 members, including major pension funds and asset management companies, with combined assets under management of around €4trillion.

The **Investor Group on Climate Change Australia/New Zealand (IGCC, Australia/New Zealand)** represents institutional investors with total funds under management of over A\$545 billion, and others in the investment community interested in the impact of climate change on investments. The aim of the IGCC is to ensure that the risks and opportunities associated with climate change are incorporated into investment decisions for the ultimate benefit of individual investors.

The updated Investor Statement on a Global Agreement on Climate Change can be found at www.iigcc.org, www.incr.com and www.iigcc.org.au from 9th December 2008.

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