PDC Global Webinar
11 May 2015
Agenda

• Welcome from Moderator and Host Eric Usher, Head, UNEP FI
• Introductory Remarks Fiona Reynolds, Managing Director, PRI
• Beyond Disclosure: Investor Action on Climate Change Paul Dickinson, Executive Chairman, CDP
• Carbon Crunch: Investor Decarbonization Strategies Mats Andersson, Chief Executive Officer, AP4 Olivier Rousseau, Member of the Executive Board, FRR
• Investor Action and COP 21: Contributing to a new climate deal Christiana Figueres, Executive Secretary, UNFCCC
Why PDC?

LEADERSHIP for COP 21

BY STATES

BY NON-STATE ACTORS

CRITICALLY, BY INVESTORS
Building on Green Finance to Portfolio Alignment

Portfolio decarbonization = Process of alignment

Diversity of ...
- Investor motivations
- Decarbonization approaches
- Metrics to measure progress
What PDC will do

• Showcase to world Governments how you are starting your own journey of alignment
• Inform your transition from ad-hoc action to systematic and hollistic strategies and plans
• Allow you to learn, first hand, from investor peers
• Help build a critical mass of investors to amplify signaling and facilitate impact in the real economy.
What PDC needs

Your story and plan:

• What has been and will be your portfolio action on climate change?
• What has been and will be your motivation?
• What have been and will be your approaches / strategies towards alignment?
• What is your ambition? What proportion of your portfolios have you aligned and will you aim to align?
Membership

Variety of Members

- Amundi
- AP Fjärde AP-Fonden
- Australian Ethical
- Church of Sweden
- Environment Agency Pension Fund
- Local Government Super
- Mirova
- The University of Sydney
- Sonen Capital
- Toronto Atmospheric Fund

Variety of Approaches

- Portfolio construction: full divestment, carbon-tilting (screens, best-in-class, etc.), green allocations
- Engagement
TOWARDS COP21:
SUPPORTING INVESTOR ACTION ON CLIMATE CHANGE

Fiona Reynolds, Managing Director
PRI
A CALL TO ACTION

Christiana Figueres, Executive Secretary of the UNFCCC, PRI in Person 2014

1. Sign the Montréal Carbon Pledge
2. Ensure lobbying activities within your spheres of influence are at least neutral, if not supportive, of strong climate action
3. Ask your CEO to meet your local finance minister to explain the risks to the global economy if we do not get an ambitious agreement in Paris

“Investors have a sacred and legal fiduciary duty to engage with this issue. We have 15 months to put a regulatory framework in place to guide us over the next 50 years. If we do not do this in Paris, it will take another 10 years to rally the political will to come to another agreement. By 2025, it will be too late to keep us under 2 degrees and it will be incredibly expensive.”
THE PRI’S 2015 ACTIVITIES TOWARDS COP21

The PRI has four key focus areas, enabling investors to:

**Demonstrate they are addressing climate change:**
- Montréal Carbon Pledge
- Portfolio Decarbonization Coalition

**Show their support to policy makers for a global agreement in Paris:**
- Global Investor Statement on Climate Change | new Low Carbon Investment Registry
- G20 leaders urged to commit to ambitious targets and measures to support low carbon investment

**Engage with companies:**
- Investor Working Group on Corporate Climate Lobbying | Water Risk engagement programme
- PRI Asset Owner Climate Change Strategy Project

**Convene at key events:**
- International Climate Finance Day: 22 May in Paris
- PRI in Person: 8 September in London
- Caring for Climate Business Forum: 7-9 December during COP21
MONTRÉAL CARBON PLEDGE

Consistent with the Portfolio Decarbonization Coalition’s disclosure target

- Announced at PRI in Person in Montréal in September 2014
- For investors to measure and disclose the carbon footprint of their equities portfolio on an annual basis
- Can apply to part or all of the portfolio
- Targeting 100 signatories and US$3 trillion of total portfolio commitments ahead of the UNFCCC meeting in Paris in December 2015
- Carbon data can be used to inform corporate engagement strategies, integrated into investment decisions and/or set carbon reduction targets
- Open to all investors to endorse at www.montrealpledge.org
MONTRÉAL CARBON PLEDGE

39 signatories from the US, Canada, Europe, Japan and Australia including:

Etablissement du Régime Additionnel de la Fonction Publique (ERAFP)
PGGM Investments
Bâtirente
The Joseph Rowntree Charitable Trust
Environment Agency Pension Fund
CalPERS
Nordea
Calvert Investments
Ownership Capital
AP3
Pensions Caixa 30
Öhman Fonder
Australian Ethical Investment
DoubleDividend
Stichting Pensioenfonds Werk en (re)Integratie (PWRI)
Folksam
HESTA
AP4
AP1
Fonds de Réserve pour les Retraites (FRR)
Mirova
Alliance Trust
Plato Investment Management Limited
WHEB Listed Equities
University of California
PFZW
Toronto Atmospheric Fund
Catholic Super
Swedbank Robur Fonder AB
Local Government Super, Australia
UCA Funds Management
Temporis Capital
SECOM PENSION FUND
Spark / IGNITE fund
Boston Common Asset Management
Epworth Investment Management Ltd
WHAT FURTHER STEPS CAN INVESTORS TAKE?

The Montreal Pledge → PDC

• A logical sequence from i) measuring & disclosing to ii) implementing. Disclosure should not be for disclosure sake but to assess progress over time. Progress requires decarbonization action.

• For those investors ready to take action, the PDC is assembling a coalition of investors that will in aggregate decarbonise US$100 billion in AUM across asset classes.
Beyond Disclosure: Investor Action on Climate Change

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CDP
Carbon Crunch

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Olivier Rousseau, Member of the Executive Board
FRR
Investor Action and COP 21: Contributing to a new climate deal

Christiana Figueres, Executive Secretary
UNFCCC
Questions & Answers

Please limit your questions to the following topics:

- PDC
- ‘Decarbonization’ process
- Any other questions post this webinar can be directed to lisa.petrovic@unep.org

A recording of this webinar will be made available on the PDC website: www.unepfi.org/pdc
Thank You

For more information about the PDC and joining the Coalition, please visit:

www.unepfi.org/pdc
Thank You

Recordings of the webinar are available can be found in the following:

https://vimeo.com/pdcunepfi/videos