

Fiduciary duty & climate change disclosure

“ Climate change is occurring. It has important implications for economic activity and therefore corporate performance. The effects of climate change are beginning to play out within and among industries and regions. They are likely to grow in significance in the years to come, becoming an increasingly important factor in the relative performance of firms, industries and investment portfolios.

We are a group of companies and investors sharing a concern that financial markets do not yet take sufficient account of climate-related corporate performance, risks and opportunities relevant to future shareholder value because of a lack of comprehensive and comparable information in “mainstream” corporate reports for the investment community. This information gap undermines the efficiency by which markets are able to allocate capital to its most productive uses over the medium to long term – a crucial enabler of strong and sustainable economic growth.

For this reason, we have decided to produce and make use of such information on a common basis through the Climate Change Reporting Framework*, or other comparable framework, whether or not required by current regulation. We take this step primarily out of a sense of fiduciary responsibility. We believe shareholders and plan beneficiaries have an inherent interest in the completeness and comparability of climate-related information available in annual and other mainstream corporate reports, because the economic effects of climate change are tangible and have implications for the relative prospects of firms, industries and investment portfolios.

We encourage executive teams, board members and trustees of other companies and investors to consider joining us in this effort to improve the allocative efficiency of our financial system.



Companies



Investors

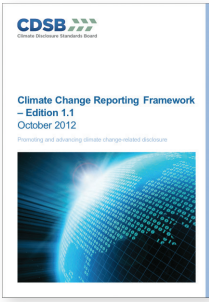


Investor group signatory



The Investor Network on Climate Risk (INCR) is a network of 100 institutional investors representing more than \$11 trillion in assets committed to addressing the risks and seizing the opportunities resulting from climate change and other sustainability challenges.

*The Climate Change Reporting Framework has been developed by the Climate Disclosure Standards Board (CDSB) an international partnership of leading business, investor and environmental organizations, comprised of CDP, Ceres, The Climate Group, The Climate Registry, International Emissions Trading Association, World Business Council on Sustainable Development, World Resources Institute and the World Economic Forum.



Download the Framework and find out more at www.cdsb.net/Framework

Climate Change Reporting Framework

The Climate Change Reporting Framework is a voluntary reporting framework designed to elicit climate change-related information of value to investors in mainstream financial reports. Based on existing standards, research and good practice, developed in close partnership with leading professionals in accountancy, business, standard setting and regulation, it seeks to filter out what is required to understand how climate change affects a company's financial performance.

The Framework offers a practical response to the demand for a global reporting model that ensures fair and transparent markets, encourages standardized climate change-related reporting and inspires confidence in the reported information. CDSB does not aim to create a new standard, but works as a collaborative forum to establish how to improve existing standards and practices to link financial and climate change-related reporting, and respond to regulatory developments.

Support a collective commitment to produce and use climate change information in mainstream corporate reports.

Visit www.cdsb.net/fiduciary for more information and to sign up or contact us at fiduciary@cdsb.net



CDSB's Reporting Framework makes the connectivity between financial data and environmental information useful to investors. The Framework is an aid for those interested in promoting financial decisions which recognise the crucial role of a healthy climate and environment in creating economic growth and financial stability. Already cited by Governments, Stock Exchanges and Regulators, the Framework is ready for widespread adoption in every jurisdiction."

Christiana Figueres,
Executive Secretary, UNFCCC



Acting now on climate change is a must for all actors in society. Transparently reporting on climate-related information and finding new ideas for reducing greenhouse gas emissions, makes clear business sense."

Karl-Johan Persson,
CEO, H&M



Just as the science of climate change is reinforced by new studies, the materiality of climate-related risks and opportunities is now widely accepted. The time has come for a new framework for disclosure to inform our investment decisions and meet our fiduciary duty."

Bennett Freeman,
SVP, Sustainability, Calvert Investments

Climate Disclosure Standards Board Members



Statement associates

