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Investors Managing \$2.1 Trillion in Assets Praise SEC for Climate Disclosure Guidance

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WASHINGTON DC - More than 50 leading investors today sent a letter to the U.S. Securities and Exchange Commission re-affirming their support for the SEC's recent issuance of interpretive guidance clarifying what publicly-traded companies need to disclose to investors in terms of climate change-related material risks and opportunities they face.

The letter, sent to SEC Chairman Mary Schapiro, was signed by 56 investors with collective assets totaling \$2.1 trillion, including the California Public Employees' Retirement System (CalPERS), California State Teachers' Retirement System (CalSTRS), Connecticut State Treasurer, Florida Chief Financial Officer, Maryland State Treasurer and New York State Comptroller.

"The SEC was founded on the principle that the purchase and sale of securities should be an honest bargain based on full and fair disclosure," wrote the investors. "The climate change disclosure guidance carries that tradition and legal requirement forward to a pressing challenge facing businesses in this century."

"Corporate assessments of the regulatory, physical and litigation risks from climate change are critical in understanding the value of our investments," the investor letter concluded.

The SEC issued the guidance Jan. 27 after formal requests by leading investors that it require full disclosure of wide-ranging climate-related business impacts - and strategies for addressing those impacts - in their financial filings. More than a dozen leading investors requested formal guidance in a petition filed with the Commission in 2007, and supported by supplemental petitions in 2008 and 2009.

"Investors have little interest in debating climate science, but do have a strong interest in business trends that will affect companies in their investment portfolios. Climate change is such a trend," said Maryland State Treasurer Nancy Kopp, one of the letter's signers. "The SEC climate guidance is an important step for corporate transparency and investor protection. Ensuring that investors are getting timely, material information on climate-related impacts, including regulatory and physical impacts, is absolutely essential."

"We're glad the SEC is stepping up to the plate to protect investors," said Anne Stausboll, chief executive officer of the California Public Employees' Retirement System (CalPERS), the nation's largest public pension fund with more than \$200 billion in assets under management. "The SEC action strengthens transparency about key issues affecting corporate performance, which is vital to investors' equal access to a fair and effective marketplace."

Most of the investors signing the letter are part of Ceres' Investor Network on Climate Risk, a network of more than 80 institutional investors focused on the business impacts of climate change. For more information on INCR, visit <http://www.incr.com>.

About Ceres

Ceres is a leading coalition of investors, environmental groups and other public interest organizations working with businesses to address sustainability challenges such as climate change. For more information, visit <http://www.ceres.org>.