

Global study highlights investors’ role in tackling climate change

- Latest research highlights climate change risks and opportunities

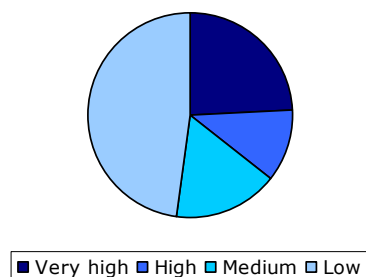
Global responsible investment specialists EIRIS today released research into some of the world’s largest 300 companies to examine how well they are responding to climate change challenges.

Focussing on the 300 largest cap global companies listed on the FTSE All World Index, *The state we’re in: global corporate response to climate change and the implications for investors* analyses the current state of corporate response to climate change, highlights the key challenges this presents and examines the implications for investors.

Key findings include:

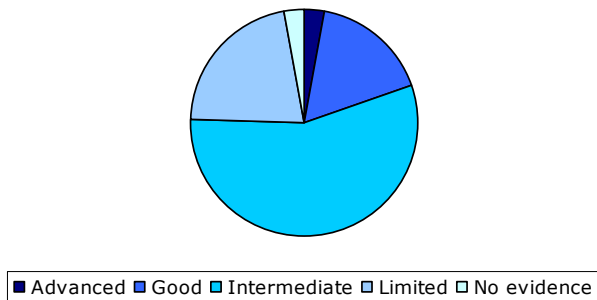
- **Many large cap companies at risk** - Over a third (35.6%) of companies in the global 300 are assessed as high or very high impact for climate change - representing over USD 6.8 trillion market cap (climate change impact includes both direct and indirect carbon emissions)

Fig 1. Climate change impact by percentage market cap of global 300



- **High risk companies have taken initial steps - but translation into coherent climate change strategy is less apparent.** 84% of high risk companies have a corporate-wide commitment to climate change. But only 14% link board remuneration to climate change strategies. And only 25% publish a long-term strategic target to reduce emissions. Targets are an important indicator of a companies true commitment to reducing their impacts.

Fig 3. Climate change response by % market cap of global 300 (very high & high)



- **Unreliable emissions disclosure** - 81% disclose either absolute or normalised data but only 9% disclose the scope of their emissions against the GHG Protocol. Lack of consistent and comparable emissions data presents challenges to investors.

In support of EIRIS' research on Climate Change, Phil Woolas MP, Minister of State for the Environment, said: "The transition to a low-carbon economy will require the biggest restructuring in how we live and work since the industrial revolution. It is an immense challenge and all of us; government, business, investors, civil society, and individuals have a major part to play. The City has a powerful role in meeting this challenge – as investors and analysts, Climate

Change is arguably the biggest environmental risk management challenge facing many of the corporations in which you invest”.

Stephanie Maier, Head of research at EIRIS said: “Climate changes considerable financial risks and opportunities for investors. To protect shareholder value, investors should identify the risks in their portfolio, factor in the impacts of carbon and engage with companies and the wider policy debate to achieve the step change and robust policy framework that’s required”.

Click [here](#) to download a copy of the research

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Note to editors:

1. EIRIS is a leading global provider of independent research into the social, environmental governance and ethical performance of companies. EIRIS, a UK-based organisation with an office in the US together with its international research partners has a wealth of experience in the field of responsible investment research. EIRIS provides comprehensive research on around 3,000 companies in Europe, North America and the Asia Pacific region.
2. EIRIS is already retained by 100 institutional clients including pension and retail fund managers, banks, private client brokers, charities and religious institutions across Europe, North America, Australia and Asia.
3. EIRIS has developed a comprehensive suite of products to help investors assess their portfolios and design investment strategies in response to the challenge of a carbon-constrained economy. For more information on EIRIS’ products and services visit www.eiris.org or email: clients@eiris.org

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