

Paris, 1



Webinar: Business & Investors after Paris

31 MARCH 2016



Introduction



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Corporate Citizenship



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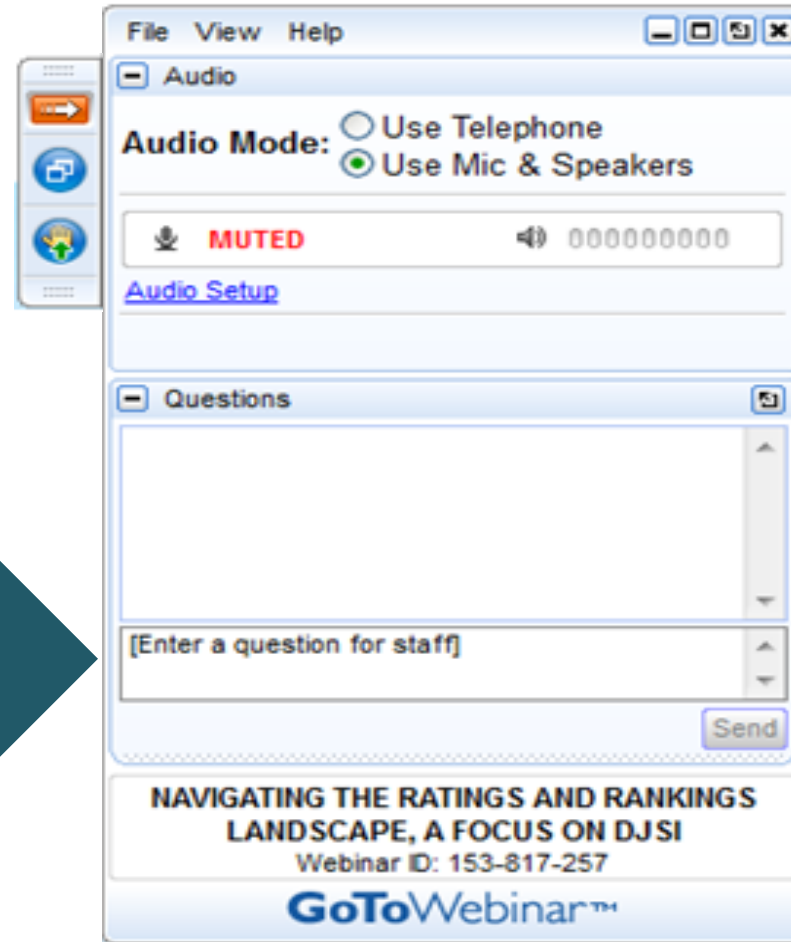
RobecoSAM

Agenda

- 1. Introduction:** who we are
- 2. Backdrop:** Corporate responses
- 3. Investor** responses
- 4. Discussion** – your questions answered

How to ask a question

Ask a Question



Corporate Citizenship: who we are

- Global business consulting company specializing in sustainability and corporate responsibility.
- Established in 1997.
- Teams based in London, New York, San Francisco, Santiago and Singapore.
- Pro-business and work with corporate clients to achieve their commitments to responsible business behaviours and sustainable practices.
- Projects completed in more than 45 countries.
- Published more than 40 [thought leadership papers](#) and regularly host events as part of our knowledge series.
- Advised Fortune 1000 and 50% of FTSE 100 companies, while also working with small- to medium-sized companies.

Backdrop: Corporate Responses

2015 - a tipping point?



- **2015 – the hottest year** on record
- **WEF:** Climate change induced weather events the biggest threat to the global economy

2015 – key conferences

- During 2015, two key summits took place:
 - **COP21 Paris Climate Summit**
 - **United Nation Sustainable Development Summit**



Corporate initiatives growing

- **Science-based targets** are one way companies are showing their commitment to align emission reductions with the Paris accord.
- Business coalitions focused on action on climate change - significant increases in membership in last 12 months, including **CDP's Commit to Action** (373) and **RE100** (56).



A wave of corporate responses

FACT SHEET: White House Announces Commitments to the American Business Act on Climate Pledge

Major Oil Companies Commit to Climate Change Action

Big tech firms, food companies commit to White House climate change pledge

Unilever to become 'carbon positive' by 2030

200 BUSINESSES, CITIES, STATES AND REGIONS COMMIT TO FULL DECARBONIZATION

BMW and Coca-Cola join 100 percent renewables wave

Three food companies with a climate footprint bigger than the Netherlands

Bloomberg Commits to American Business Act on Climate Pledge

Investor Responses to Climate Change

Francis Condon, Senior Sustainability Investing Analyst, RobecoSAM

31st March 2016



Introduction

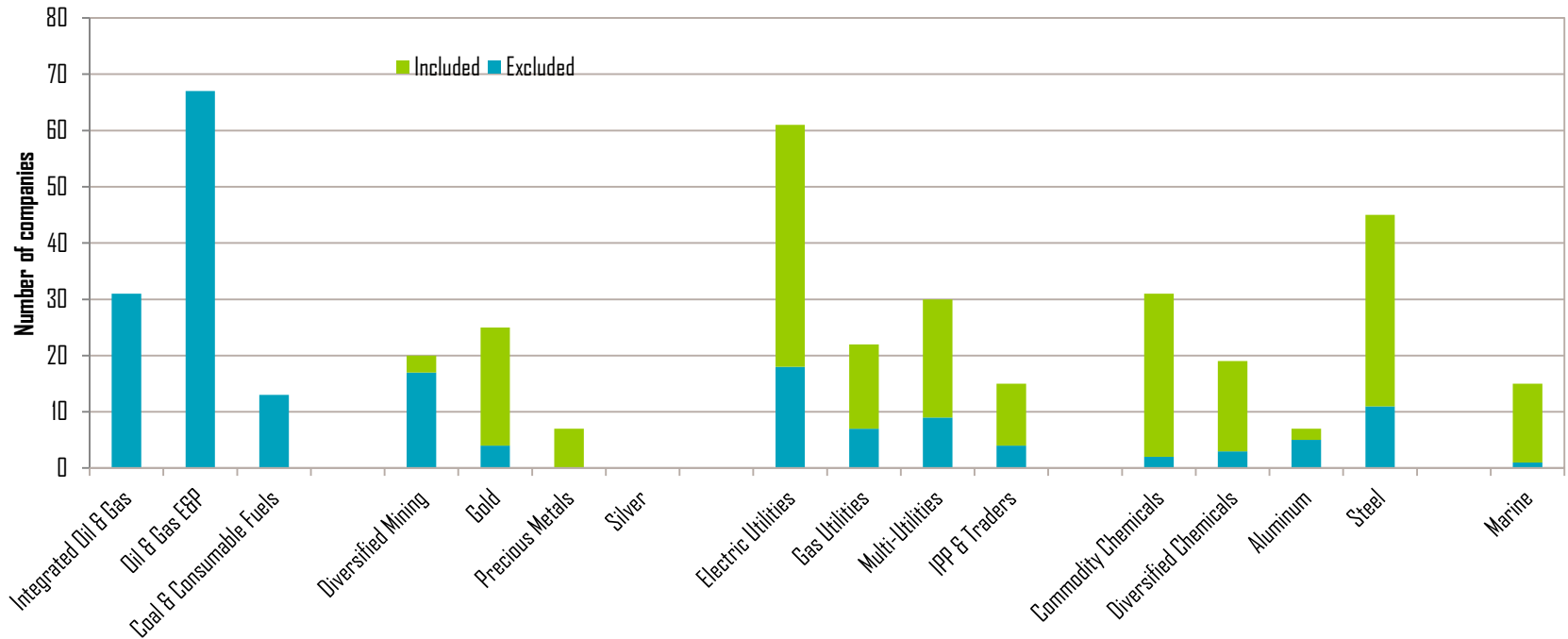
Investor Responses to Climate Change

1. Divestment
2. Portfolio Decarbonisation
3. Engagement
4. Carbon Solutions

1. Divestment of Upstream Fossil Fuels

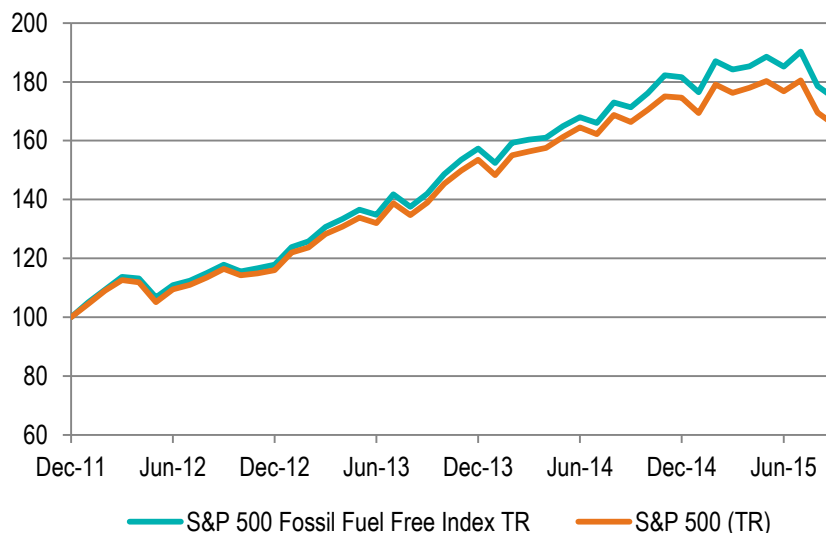
What a full scale upstream divestment policy would mean across sub-industries

Source: RobecoSAM



1. Divestment of Upstream Fossil Fuels

S&P 500 Fossil Fuel Free - Comparative Performance



	S&P 500 FFF (TR)	S&P 500 (TR)
Annualized Returns		
YTD	-4.00%	-5.29%
1 Year	1.76%	-0.61%
3 Year	13.94%	12.40%
Since Dec 2011	15.97%	14.34%
Annualized Risk		
1 Year	15.01%	15.11%
3 Year	12.37%	12.38%
Since Dec 2011	12.37%	12.42%
Risk Adjusted Return		
1 Year	0.12	-0.04
3 Year	1.13	1.00
Since Dec 2011	1.29	1.15
Max Drawdown		
1 Year	-11.74%	-12.04%
3 Year	-11.74%	-12.04%
Since Dec 2011	-11.74%	-12.04%

Tracking Error and Information Ratio

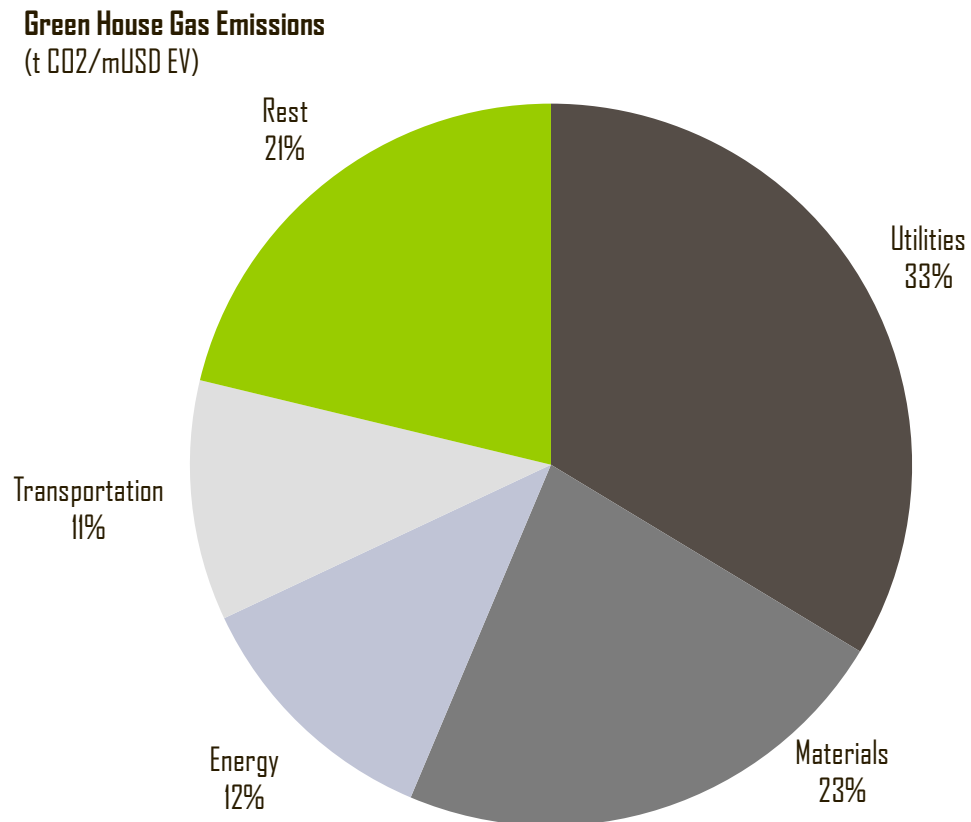
	1 Year	3 Year	Since Dec 2011	Year	Tracking Error
Information Ratio	2.23	1.86	1.92	2014	0.94%
Tracking Error	1.07%	0.83%	0.85%	2013	0.64%
				2012	0.86%

Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of September 30, 2015. Index performance is based on USD total return index levels. Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results. These charts and graphs may reflect hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

2. Portfolio Decarbonization

Source of GHG emissions in the MSCI World Index

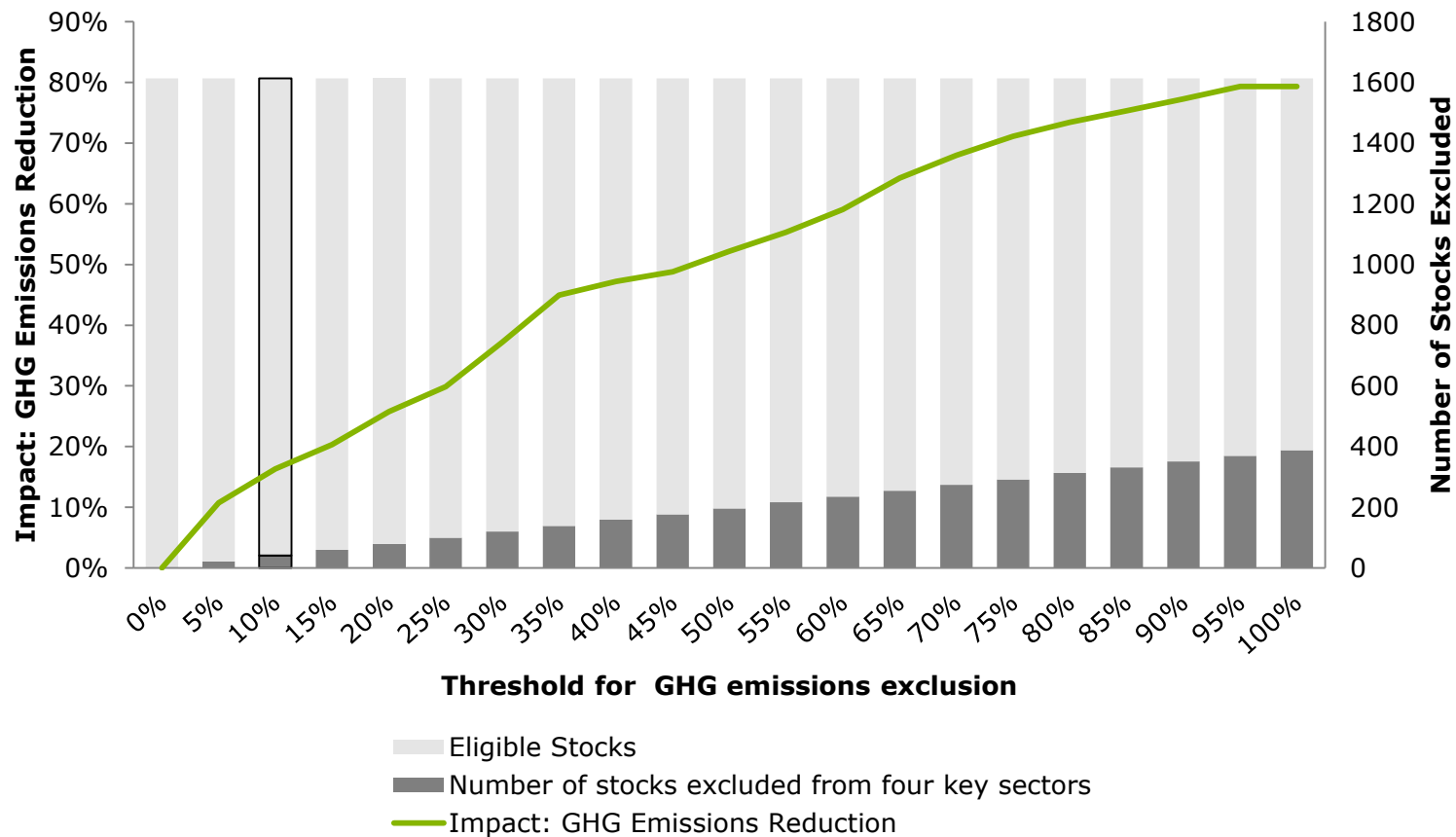
Source: RobecoSAM



2. Portfolio Decarbonization

Effect of best-in-class decarbonization approach on an MSCI World Index portfolio.

Source: RobecoSAM



3. Climate Change Related Engagement

RobecoSAM Active Ownership in the Carbon Transition

Eco-efficiency in the Metals & Cement Industries
Carbon Management in the Retail Real Estate Trusts



Environmental Challenges in the European Utilities Sector



Fossil fuel producers and the carbon transition

4. Carbon Solutions: RobecoSAM Smart Energy

**Definition of the RobecoSAM Strategic Theme Reference (STR):
market cap adjusted reflection of the universe**

Cluster	Eligible no. of Stocks	% of STR Universe	Beta STR vs. MSCI World*	Investment Areas
Renewable Energies	75	25%	1.12	<ul style="list-style-type: none"> • Wind • Solar • Renewable Power Producers
Energy Distribution	59	29%	0.87	<ul style="list-style-type: none"> • Equipment Suppliers • Electric Networks • Natural Gas Distribution
Energy Management	28	16%	1.24	<ul style="list-style-type: none"> • Semiconductor Power Management • Energy storage
Energy Efficiency	93	30%	1.05	<ul style="list-style-type: none"> • Buildings • Industrial processes • Transportation
Total	255	100%	1.05	

*Ex-ante Beta; Aegis Barra (31.12.2015)

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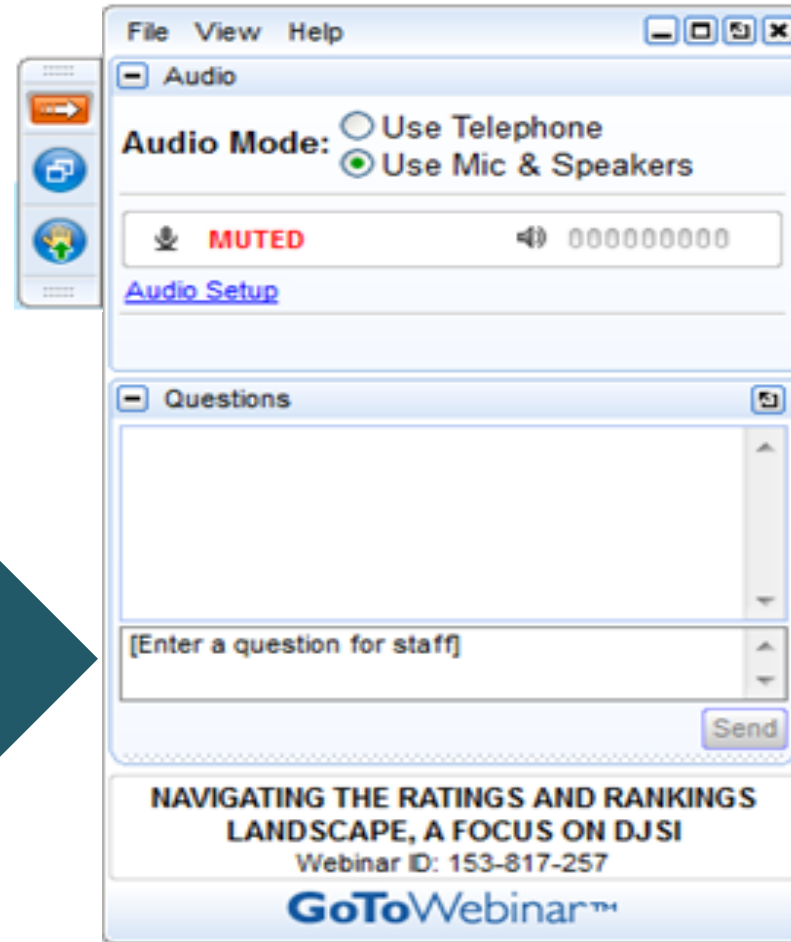
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Q&A

Submit your questions

Ask a Question



Q&A Discussion



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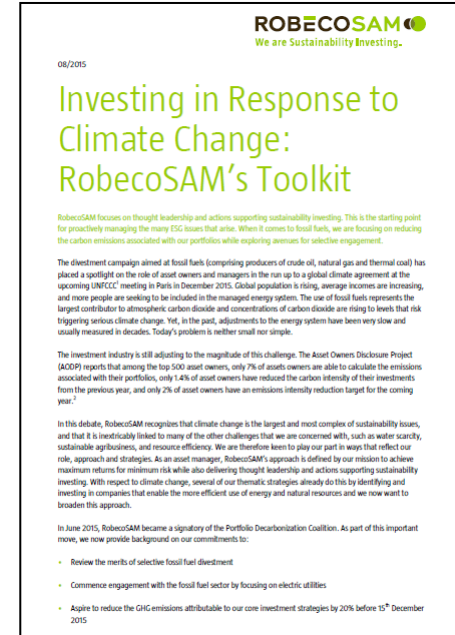
Further resources



corporate-citizenship.com/our-insights/impact-for-change-better-business-in-a-better-world/



<http://corporate-citizenship.com/our-insights/low-carbon-company/>



[http://www.robecosam.com/images/Investing in response to climate change.pdf](http://www.robecosam.com/images/Investing_in_response_to_climate_change.pdf)

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