

Email From: Erica Scharn
To: Erica Scharn
Cc: Jim Coburn
Sent: Wed Mar 03 13:46:00 2010
Subject: INCR Letter Sent to the SEC Today
Dear colleagues,

Thank you very much for signing on to the letter thanking the SEC for issuing interpretive guidance on climate change. The final version of the letter is attached. The letter has 56 signatories representing approximately \$2.1 trillion in assets under management.

The press release is pasted in below and can also be found [here](#).

This letter is extremely important and timely, given some Congressional opposition to the SEC's guidance. If you're interested in contacting key Senators to help counter this opposition, or for more information on Ceres' plan to shore up support from key Senators and Representatives, please contact Jim Coburn (617-247-0700 x119, coburn@ceres.org) as soon as possible.

Thank you again for your collaboration.

Best regards,

Erica



Investor Network on
CLIMATE RISK

a project of **Ceres**

March 3, 2010

The Honorable Mary L. Schapiro
Chairman
United States Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Dear Chairman Schapiro,

We are 56 treasurers, comptrollers, controllers, institutional investors and asset managers representing approximately \$2.1 trillion in assets. We are writing in strong support of the Commission's newly issued Guidance Regarding Disclosure Related to Climate Change. This guidance will provide us with significantly improved information about the material risks and opportunities faced by our portfolio companies.

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. The climate change disclosure guidance carries that tradition and legal requirement forward to a pressing challenge facing businesses in this century.

Many of us have worked for years to improve corporate reporting related to climate change, because climate change poses material risks that affect investors and are generally poorly disclosed. As fiduciaries with a long-term view of capital appreciation that must meet the interests of multiple generations of beneficiaries, we have concluded that seeking, interpreting, and integrating such information into our investment decision-making process is becoming ever more necessary and prudent.

Climate change already poses significant risks to economies and investments. Many of us have concluded that corporate assessments of the regulatory, physical and litigation risks from climate change are critical in understanding the value of our investments.

In response to our efforts to engage companies, more businesses have started to account for the impacts of climate change on their financial performance, while others have pursued opportunities to develop energy-efficient and low-carbon products and services in order to gain market share and improve competitiveness. However, few companies disclose sufficient information about these issues in SEC filings to allow us to make more informed investment decisions.

The SEC's new interpretive guidance provides registrants valuable information about how to apply longstanding disclosure requirements to the evolving challenges posed by climate change. The measured, concrete steps outlined in the guidance will improve disclosure of material information, which will in turn improve investor decision-making.



Measures to protect investors by exposing hidden risks and improving transparency are essential to keep the U.S. capital markets competitive. We applaud your leadership on this issue. We look forward to the planned roundtables on climate disclosure and also the Investor Advisory Committee's examination of climate disclosure and other important investor protection initiatives.

Sincerely yours,

State Treasurers, State/City Comptrollers & Controllers, Pension Funds, Labor

Daniel F. Pedrotty
Director
AFL-CIO Office of Investment

John Chiang
California State Controller

Bill Lockyer
California State Treasurer

Anne Stausboll
Chief Executive Officer
CalPERS

Jack Ehnes
Chief Executive Officer
CalSTRS

Denise L. Nappier
Connecticut State Treasurer

William J. Boarman, Chairman
CWA/ITU Negotiated Pension Plan

Alex Sink
CFO
State of Florida

Ash Williams
Executive Director & CIO
Florida State Board of Administration (SBA)

Alexi Giannoulis
Illinois State Treasurer