



RBC Global
Asset Management



Climate Risk & the Role of Investors

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Presented by:
Jason Milne
RBC Global Asset Management

Climate Risk

Why it is Important to Investors

Climate Risk = Material Investment Risk

- Climate change will impact portfolio returns
- Investment management is balancing risk and return
- It is part of our fiduciary duty to consider all material risk, including climate risk

What are the Investment Risks of Climate Change?

To name just a few

- Infrastructure
- Weather event loss
- Increasing cost of insurance
- Tax
- National and international conflict
- Technology
- Stranded assets

What Can Investors Do?

- Divest
- Measure & Tilt
 - Measure portfolio carbon intensity
 - Tilt portfolio towards lower intensity holdings
- Engage companies
 - Encourage to report emissions
 - Encourage them to reduce emissions
- Engage policy makers
 - Price on carbon
 - Encourage a technological transition

Questions



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