



The Forum for Sustainable and Responsible Investment



AMERICAN  
SUSTAINABLE  
BUSINESS  
COUNCIL

# Carbon Tax: What Investors & Business Leaders Should Know

*April 19<sup>th</sup> 2016*

# SPEAKERS

- **Alya Kayal**, Director of Policy and Programs, US SIF
- **Richard Eidlin**, Vice President, Policy and Campaigns, ASBC
- **Senator Brian Schatz**, Hawaii
- **Michael Kramer**, Managing Partner and Director of Social Research, Natural Investments

# ABOUT US SIF

**US SIF: The Forum for Sustainable and Responsible Investment** is the leading voice advancing sustainable, responsible, and impact investing across all asset classes.

300+ Members hold more than \$2 trillion in assets under management or advisement and include:

- Foundations and other asset owners
- Research, data and index providers
- Financial planners and advisors
- Community development institutions
- Asset managers
- Investment consultants
- Non-Profit organizations



# ABOUT US SIF

## US SIF activities include:

- Building greater credibility for sustainable, responsible and impact investing (SRI) by undertaking and publicizing research that highlights the positive impact of SRI and highlights key trends, such impact investing;
- Expanding the numbers of financial professionals with knowledge of SRI through development of a professional education curriculum, offered both online and in-person, through webinars and an annual conference – **(MAY 24-25 IN WASHINGTON DC** – see <http://www.ussif.org/conference>;
- Advancing public policy initiatives through outreach to legislators and regulators. For more information, see <http://www.ussif.org/policy>.

# ASBC'S CARBON TAX PRINCIPLES

- Comprehensive, with no exceptions
- Setting a meaningful price
- Tax the highest CO2 emitters at the source
- Protecting US competitiveness
- Using the revenue to benefit the economy



# ABOUT ASBC

American Sustainable Business Council (ASBC) supports America's new leaders: the business owners, entrepreneurs, executives, and investors who understand that sustainability is critical to our economy and our country. Our rapidly growing national alliance represents more than 200,000 businesses. The owners of these firms know that sustainable business is good business—and a sustainable economy is a prosperous and resilient one.

## Principles of Sustainability

The principles of a sustainable economy are being applied by savvy business leaders across the country, in both red states and blue. These interconnected principles include:

- Opportunity for all to participate fully in the economy
- Market-based competition with a level playing field for all businesses
- Strategic investment in infrastructure and emerging technologies
- Transparency and accountability of economic and political institutions
- Stewardship of natural resources
- Respect for workers and communities



# WORKING WITH ASBC

- Provide business leaders to testify at hearings and briefings
- Develop Policy Recommendations
- Advocate for Policies at Federal and State Level
- Change how the Media Reports on 'What Business Thinks' (Write/Place Op-Eds)
- Craft Business Cases to Support Legislation
- Fly-In's
- Polling Contact:



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# SENATOR SCHATZ



United States **Senator:**  
**Brian Schatz**, Hawaii

with **Michael Obeiter**, Energy  
& Climate Advisor



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# Q& A WITH SENATOR SCHATZ – Please Submit Your Questions Now



United States **Senator:**  
**Brian Schatz**, Hawaii

with **Michael Obeiter**, Energy  
& Climate Advisor

[Michael\\_Obeiter@schatz.senate.gov](mailto:Michael_Obeiter@schatz.senate.gov)



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# SUSTAINABLE & RESPONSIBLE INVESTOR PERSPECTIVE



Michael Kramer, M.Ed., AIF<sup>®</sup>  
Managing Partner,  
Financial Advisor &  
Director of Social Research

# WHO ARE SUSTAINABLE & RESPONSIBLE INVESTORS?

- Integrate values into investment selection criteria
- Embrace the triple-bottom-line of environmental, social, and financial performance
- 45-year history of portfolio screening, shareholder advocacy with companies, and support for community development financial institutions and high impact start-ups
- Now 17% of all professionally managed investments – nearly \$7 trillion
- Trade association → *USSIF: The Forum for Sustainable and Responsible Investment*



# SOME EFFORTS TO DATE

- Support Consumer Financial Protection Bureau and Dodd-Frank implementation
- Corporate transparency and reporting on ESG issues
- Political contributions disclosure
- Revise the DOL ERISA guidance on ESG integration
- Sustainable and responsible investment options in federal employee Thrift Savings Plan
- Support adequate funding for SEC
- **Support EPA Clean Power Plan**
- **Publish research and guides on ESG issues, including “*Investing to Curb Climate Change*”**



# INVESTOR RESPONSES TO CLIMATE CHANGE

- Increased shareholder advocacy
- Amplified engagements and resolutions with large energy corporations (including BP, Chesapeake Energy, Peabody)
- Greater investments in “green” sectors
- Invest in new technologies, policies and practices across all sectors
- Advocates for and invest in Green Bonds
- Investments in Fossil Fuel Free portfolios
- Advocates for Divestment



# COMPANIES ARE SUPPORTIVE

- Large firms across many industries are on-board:
  - IKEA, Mars, Blue Cross Blue Shield, Google, Apple, Amazon, Dominion Resources, General Mills, The North Face.
- 102 of 171 in Fortune 100/Global 100 set GHG reduction goals (60%)
- 24 companies have set specific goals for renewable energy use (14%)
- 365 companies wrote a letter of support to all Governors
- American Clean Energy and Security Act of 2009
  - Passed the House but never heard in the Senate
- Business Environmental Leadership Council



# CARROT & STICK APPROACH NEEDED

- Companies know climate change amplifies business risks
- Companies are conducting vulnerability assessments, encouraged by shareholders
- More companies are disclosing emissions (CDP)
- Moral Imperative
- Financial Incentives (trading offsets, sequestration)
- Reporting on current and anticipated impacts
- Taxation
- Tax credits for renewable energy and energy efficiency



# Q& A WITH MICHAEL KRAMER— Please Submit Your Questions Now



**Michael Kramer**

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# US SIF FOUNDATION AND ASBC: CARBON TAX WEBINAR

## THANK YOU!

