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Westly Calls on Automakers to Address Climate Change

SACRAMENTO – Controller Steve Westly and the Investor Network on Climate Risk today called on the world’s largest automakers to address their role in global climate change and the effects it could have on their profits.

Today’s effort was aimed at pushing Toyota, Honda, DaimlerChrysler, Volkswagen, BMW, Nissan, and General Motors to increase environmentally sound practices and performance for shareholders. A similar effort in 2004 resulted in action by Ford. Current dialogue between General Motors and investors shows promise of similar positive results.

“Ford has taken the lead with its Climate Risk Disclosure Report. We expect the other companies we invest in to do the same,” Westly said. “Taking action will give investors confidence that auto manufacturers are prepared to operate in a carbon constrained economy. Protecting the environment is good for California and good for business.”

Controller Westly has been a leader in pushing auto companies to produce cleaner cars. He formed the Global Warming Auto Watch to push companies to harness new, cleaner technologies. That coalition uses its more than \$2 billion in auto stocks to push for changes within the auto industry. The coalition includes the California Public Employees Retirement System (CalPERS), the California State Teachers’ Retirement System (CalSTRS), the New York State pension fund, the Adrian Dominican Fund, the Tri-State Coalition for Responsible Investment, Connecticut Treasurer Denise Nappier, Vermont Treasurer Jeb Spaulding and New York City Comptroller William C. Thompson.

“A growing number of companies and investors are recognizing the financial risks and opportunities of climate change, and these are especially relevant to the auto sector,” Mindy S. Lubber, president of Ceres and director of the Investor Network on Climate Risk, said. “It’s important that automakers disclose the implications of climate change for their business, and we look forward to collaborating with them on this issue.”

The Investor Network on Climate Risk hosted the May 2005 conference at the United Nations where Westly announced the group's Climate Change Call to Action.

“California’s pension funds are among the largest investors in the world,” said Westly. “We have a responsibility to protect shareholder value of the companies we invest in.”

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Yesterday, Controller Westly and the INCR made a similar call on ExxonMobil.

“While the state of California and other oil companies are moving ahead to reduce the risks of climate change, ExxonMobil is stubbornly refusing to meet with shareholders,” Westly said. “We demand a meeting with ExxonMobil's board of directors to map out a new direction for the company. Exxon Mobil must limit the risks of climate change and ensure the company is positioned to capture opportunities in alternative energy technologies.”

Please [see the letter](#) to the world's leading automakers.

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