

## WHAT CLIMATE RISKS?

### Sovereign wealth funds may be ignoring climate risk says the AODP

The Asset Owners Disclosure Project (AODP) has published [new evidence](#) that sovereign wealth funds in Abu Dhabi, Kuwait, China, Saudi Arabia, and Hong Kong have ignored climate change risks to their investments. Moreover, it found that nearly half of the world's 500 largest investors

are also ignoring the risks, a finding that the chief executive of AODP calls "shocking". The funds are measured on three main approaches to climate risk: risk management, engagement, and investment in low-carbon assets. But it's not all bad news. The AODP [reported](#) that one-fifth of the 500 investors are "taking tangible action to mitigate climate change risk".

[READ MORE](#) (subscription required)

### @SICMGMT TWEET OF THE WEEK

 @SICMgmt's John Willis discusses the financial risks & unintended consequences of #fossilfuels w/ @asset\_mgmt <http://goo.gl/mmvXHQ>

### WE'RE KEEPING AN EYE ON...

Executive pay. Norges Bank, Norway's USD 870B sovereign wealth fund, is joining other shareholders in targeting [executive pay](#) at large companies around the world. "We have so far looked at this in a way that has focused on pay structures rather than pay levels," said Yngve Slyngstad, Chief Executive of the fund.

## WORLD BANK WARNS ON WATER SCARCITY AND ITS IMPLICATIONS

The [World Bank](#) warned that worsening water scarcity – intensified by climate change – could cost regions in the Middle East and Northern Africa up to 6 percent of their GDP between now and 2050. A new [report](#) found that the drylands in Africa are particularly vulnerable and that extreme weather events will exacerbate the challenge.

World Bank president Jim Yong Kim noted that "water scarcity is a major threat to economic growth and stability around the world and climate change is making the problem worse. If countries do not take action to better manage water resources, our analysis shows some regions with large populations could be living with long periods of negative economic growth".

[READ MORE](#) (subscription required)

### THIS WEEK IN NUMBERS

**23,000**

solar photovoltaic (PV) panels will be floated on the reservoir near London in the UK, making it the largest floating solar project.

**1,000**

electric charging points are expected to have been installed in Paris (France) by the end of this year.

**200**

kilometers of central Vietnamese beaches have been littered with dead fish.

**55**

million US dollars is the fine Johnson & Johnson must pay for an ovarian cancer claim associated with the company's talcum powder.

**50**

percent reduction in the use of inappropriate outpatient antibiotic is the target set in the US National Action Plan for Combating Antibiotic-Resistant Bacteria, by 2020.

**25**

of May is the date for the next AGM for [ExxonMobil](#).

**1**

billion US Dollars has been awarded by the US Department of Housing and Urban Development in 13 states to help communities adapt to climate change.

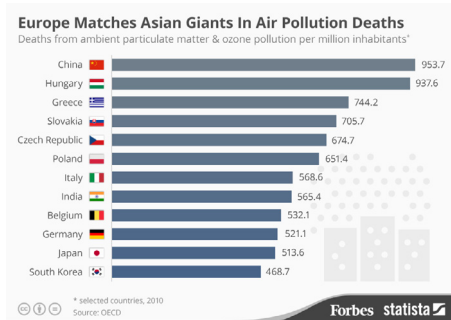
## CORPORATES OPT FOR LOW TAX ENVIRONMENTS

The UN reported this week that companies put USD 221B into low tax jurisdictions ('tax havens') – including Luxembourg and the Netherlands – last year but then [removed a significant amount](#) after the two countries

passed stricter tax laws. Governments in the EU have come under increasing pressure to address tax evasion after the '[Panama papers](#)' revealed tax documents from hundreds of companies. [READ MORE](#)

### INFOGRAPHIC OF THE WEEK

Polluted air causes just as many [deaths](#) in Europe as in Asia:



### DID YOU SEE...?

The German government is considering a European-wide minimum price on carbon emissions as part of the nation's energy and climate policy draft.

[READ MORE](#)

### WHAT WE'RE READING



GRI – [Defining What Matters](#): Do Companies and investors agree on what is material?

## SRI STRUGGLES TO GAIN Foothold IN ASIA

Although Asia now has 71 signatories to the UN Principles for Responsible Investing (PRI), representing USD 59T, the majority of Asian asset owners still "haven't implemented investment policies that follow environment, social and governance (ESG) best practices,"

according to a March paper by the PRI. The report found that focus on short-term returns, plus high cost of ESG research and few repercussions for inaction are some of the reasons for the lack of adoption.

[READ MORE](#)



### MARK YOUR CALENDARS:

April 22 - July 21: The SEC is [seeking public comment](#) on modernizing public company and financial disclosure requirements including sustainability elements such as the disclosure of information about sustainability, ESG and public policy issues.

### BELIEVE IT OR NOT

Can you guess how much the world's forests weigh? UK satellites will begin making 3D maps of the forests, creating a baseline to monitor and measure their height and weight.

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