

CalPERS' \$100 Billion Climate Action Plan

Michael Cohen, *CalPERS Chief Operating Investment Officer*

May 29, 2024

Investing in Solutions



Capital for Change

One of the world's biggest commitments to climate solutions



Incredible Opportunity

Investing in the energy transition provides returns for our members



Reducing Risk

Making our portfolio and planet more resilient

CalPERS' \$100 Billion Climate Action Plan

1

Increase investments in climate solutions with a 2030 target of \$100 billion, consistent with a more than 50% reduction in portfolio emissions' intensity.

2

Engage with our portfolio companies on their net zero plans. **Advocate** for actions that promote decarbonization.

3

Develop a process - subject to fiduciary duty and investment analysis - to potentially exit certain investments with companies that lack credible net zero plans.

4

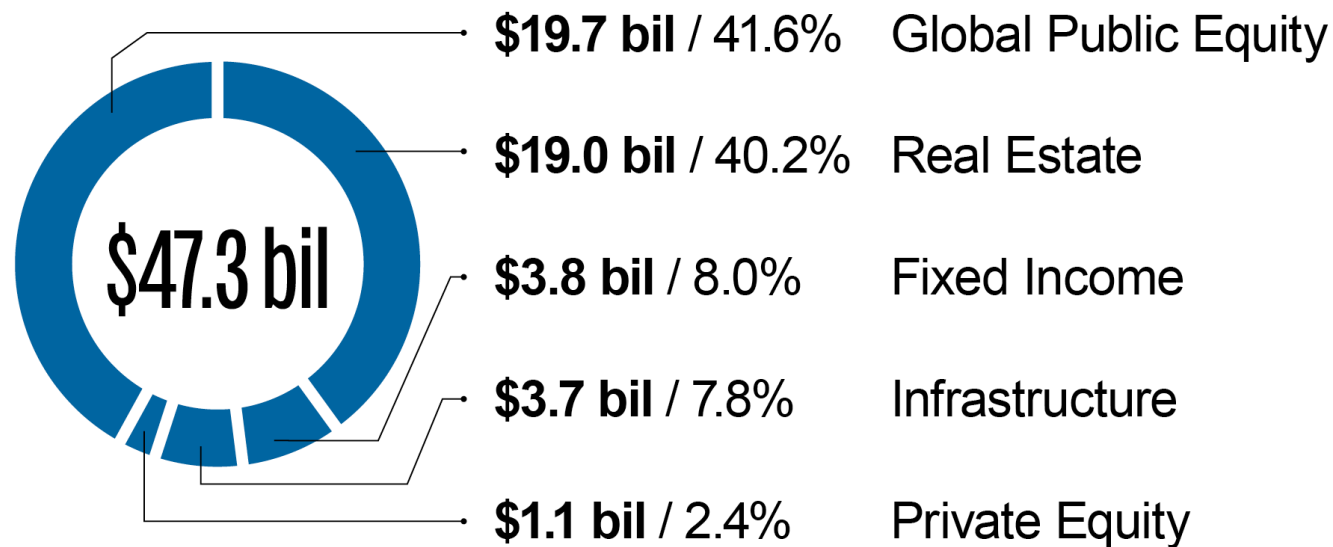
Integrate climate risks into investment decisions to accelerate emissions reductions.

5

Enhance measurements and reporting of portfolio emissions.

Increase Investments in Climate Solutions

CalPERS Investment in Climate Solutions, as of September 30, 2023



CalPERS has **already** invested more than **\$47 billion in climate solutions** and is now on the way to \$100 billion by end of 2030.

Investing in Climate Solution



Mitigation

Reduce greenhouse gases emissions at scale



Adaptation

Reduce the negative impacts from climate change and promote adaptation



Transition

Operate in hard-to-abate sectors* with a credible decarbonization plan**

* Sectors include heavy industry, heavy transport, and fossil-fuel power.

** SBTi (Science Based Transition Initiative) and TPI (Transition Pathway Initiative) are recognized frameworks for evaluating decarbonization strategies