



Investor Group on
Climate Change

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Australia /New Zealand

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Committee Secretary
Senate Standing Committees on Environment and Communications
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Canberra ACT 2600
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26th March 2013

Re: Recent trends in and preparedness for extreme weather events

Dear Secretary,

Further to the Investor Group on Climate Change Australia/New Zealand (IGCC)'s letter to the Senate Inquiry on 18th January 2013, the IGCC would like to submit the enclosed research reports, which have subsequently been publically released. This research is for the Committee's consideration, namely in relation to Terms of Reference (c), (f) and (g).

The IGCC represents Australian institutional investors of \$900 billion of funds under management and other key participants in the investment community. IGCC members are invested across the Australian economy and are part owners of most of Australia's large companies. Members also hold substantial direct investments in infrastructure and property assets in Australia and around the world.

As managers of retirement savings and pooled investments we are concerned with the long-term impacts of climate change on the economy and future investment returns. Understanding how the physical impacts from a changing climate will directly impact our investment portfolios is a relatively recent but important area of work for IGCC. We recognise that the physical impacts of climate change are likely to materially affect the performance of many of the assets we part own.

This research was undertaken to investigate the impacts of climate change on a range of industrial sectors in Australia. The reports, or *Sector Guides*, illustrate a compilation of physical impacts for companies and assets, and the potential material impacts for their investors. Sectors covered in these reports include:

- . Property and Construction;
- . Mining and Minerals Processing; and
- . Oil & Gas.

IGCC would like to draw the committees' attention to Tables 1 and 2 in each report, which outline the climate change risks we see and the consequences for companies and assets. The reports include further concise analysis on climate impacts and consequences, which may also be useful for the committee.

Further research on additional industry sectors is due to be completed in the coming months and can be provided to the committee at a later date.

The IGCC is available for discussions with the Committee on these issues.

Yours faithfully,

Nathan Fabian
Chief Executive
Investor Group on Climate Change