

Sustainable Investing in a Carbon-constrained World  
Environmental and Energy Study Institute (EESI) briefing

Lily Donge | July 2, 2009

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## WHO IS CALVERT?

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- Founded in 1976
- Approximately \$13 billion in assets under management
- First mutual fund to file a social shareholder resolution in 1986
- Developed first US-based international SRI mutual fund in 1992
- Launched the Calvert Global Alternative Energy Fund in 2007
- Four global sustainable equity funds in the following sectors:  
large cap, small/mid cap, alternative energy and water

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# SUSTAINABLE & RESPONSIBLE INVESTING

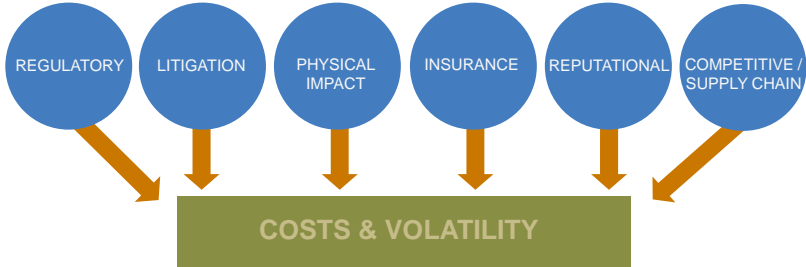
- \$2.71 trillion in assets – one out of nine dollars\*
- Identifying prudent management of non-financial material risk:

<b>Environment</b>	<b>Product</b>
<b>Workplace</b>	<b>Community</b>
<b>Human Rights</b>	<b>Governance</b>
<b>Indigenous People's Rights</b>	

\* Source: 2007 Social Investment Forum Trends Report

# THE TRUE COST OF CLIMATE CHANGE

## Climate change materially affects companies



**Therefore, in our view of sustainability, we prioritize renewable energy and efficiency to coal**

## A CARBON-CONSTRAINED FUTURE


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### Shareholder resolutions

Idacorp\* 52% vote in 2009

### Engagement with Utilities

Ceres Electric  
Power/Investor Dialogue  
since 2003

- 
- GHG accounting worldwide
  - Goals and targets
  - Scenario carbon pricing for utilities
  - Impacts of climate change

\* As of 5/31/09, securities of Idacorp, Inc. represented .64% of the net assets of Calvert New Vision Small Cap Fund.

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## A CARBON-CONSTRAINED FUTURE

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### Carbon Disclosure Project

CDP report on S&P 500 in  
2007

### SEC Risk Disclosure

### Public policy

A price on carbon, a strong  
post-Kyoto framework

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- GHG accounting worldwide
  - Goals and targets
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  - Impacts of climate change

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## COLLECTIVE COMMITMENTS

- Investor Network on Climate Risk members have invested over \$1.2 billion of their assets in renewable energy and other clean technology ventures.

Some of the commitments:

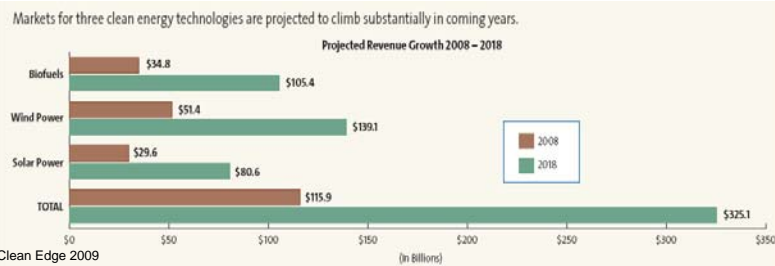
- Asset managers, consultants, and financial advisors consider climate risks and opportunities.
- Invest capital in companies developing and deploying clean technologies, with a goal to deploy \$10 billion collectively.

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## ALTERNATIVE TO COAL

### Clean energy projected revenue growth from 2008-2018 (\$U.S. billions)



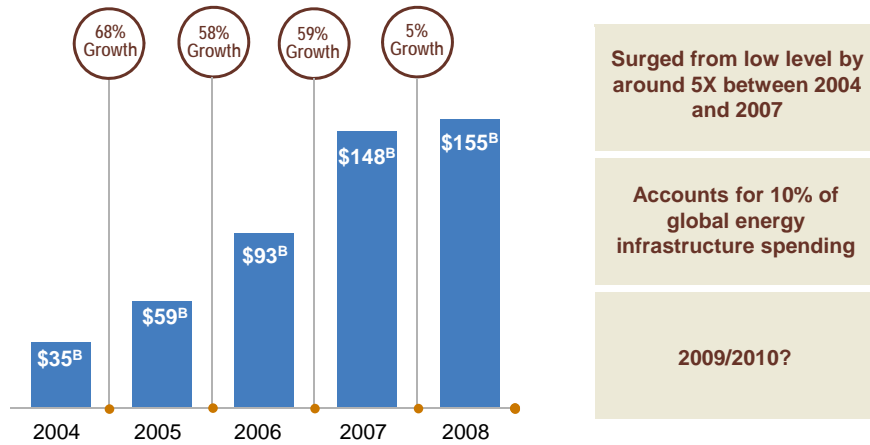
*An increase in clean energy growth does not necessarily indicate positive investment results for a fund investing in energy or alternative energy. The energy and alternative energy sectors can be volatile. Investment involves risk, including possible loss of principal.*

- Calvert Global Alternative Energy Fund focuses on:
  - Renewable energy (solar, wind, geothermal, biofuel)
  - Efficiency
  - Storage and battery

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## GLOBAL NEW INVESTMENT IN CLEAN ENERGY: 2004 - 2008



Source: New Energy Finance | Published : Deutsche Bank Oct 2008

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## THE CLIMATE PRICE TAG: \$200 BILLION

- Approximately \$200 to \$210 billion
  - Most of this expected to be financed by the private sector
  - All parties have a role
- For every \$1 of public money deployed, between \$3 and \$15 of private investment can be generated\*
- Investors engagement with policymakers

\* Source: United Nations Environment Programme (UNEP)

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## FOCUS ON THE BIG PICTURE

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### Renewable energy and energy efficiency as an alternative to coal

Mechanisms:

- Carbon pricing and transparency
- Stability and certainty
- Finance needs knowledge, data and information
- Policies, programs, performance

## RISK DISCLOSURES

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*Calvert Global Alternative Energy Fund is subject to the risk that stocks that comprise the energy sector may decline in value, and the risk that prices of energy (including traditional sources such as oil, gas or electricity) or alternative energy may decline. The stock markets in which the Fund invests may also experience periods of volatility and instability. In addition, shares of the companies involved in the energy industry have been more volatile than shares of companies operating in other, more established industries. Consequently, the Fund may tend to be more volatile than other mutual funds. Lastly, foreign investments involve greater risks than U.S. investments, including political and economic risks and the risk of currency fluctuations.*

### *Alternative Energy Sector Risk*

*The alternative energy sector can be significantly affected by a number of factors, including fluctuations in energy prices, supply and demand of alternative energy fuels, and government regulations and policies. The alternative energy sector can be volatile. Investment involves risk, including possible loss of principal.*

## DISCLOSURE

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*For more information on any Calvert fund, please contact your financial advisor or call Calvert at 800.368.2748 for a free prospectus. An investor should consider the investment objectives, risks, charges, and expenses of an investment carefully before investing. The prospectus contains this and other information. Read it carefully before you invest or send money.*

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Not NCUA/NCUSIF Insured. No Credit Union Guarantee.



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