

Current greenhouse gas emissions trends will not deliver Obama's US targets

London, April 21, 2010 - The latest report from the Carbon Disclosure Project (CDP) reveals a growing carbon chasm between US emissions trends and the cuts needed to reverse emissions output to meet President Obama's target.

CDP has analysed data from its annual information collection from S&P 100 companies for the years 2007 - 2009 and found that greenhouse gas emissions will, at their current trajectory, produce a 3.66% absolute increase in emissions by 2020, relative to 2009 levels. This figure is far off the 1.05% reduction level per annum which CDP calculates is required to reach President Obama's US 2020 target. While some sectors have reduced their emissions over the past three years, total emissions reported to CDP from S&P 100 companies increased at a rate of 0.36% and as the economy recovers, growth in absolute emissions is likely to increase further.

The four heaviest emitting sectors, Utilities, Energy, Materials and Industrials account for 90% of emissions and the performance of companies within these sectors is of key importance in delivering the reductions of 17% by 2020 required to meet the US target. The Materials and Energy sectors have shown an average decrease in emissions over the last three years of 0.77% and 1.01% respectively. However, Utilities, which accounts for 37% of reported emissions, has experienced an annual growth in emissions of 1.64% and Industrials leads this trend with a larger annual increase of 2.03%.

To meet the Intergovernmental Panel on Climate Change (IPCC) recommended 80% reduction by 2050, the recommended average annual reduction is 3.9%, calculated by CDP. In November 2009, President Obama committed to a 17% absolute reduction in emissions by 2020, measured against a 2005 baseline. This target does not go as far as IPCC recommendations, and is not yet legally binding, but this commitment represents a crucial change in the US position on climate change. The corporate sector's role in delivering against these targets is vital.

Paul Dickinson, CEO of CDP, said:

“These trends identified by CDP show business needs to take more active measures to reduce emissions, especially as the economy improves we can expect to see more significant increase in emissions.

“Some corporations are moving in the right direction, with the Energy sector decreasing average absolute reported emissions at a rate close to the US annual target. However, the Industrials and Utilities sectors which are responsible for a high proportion of emissions are still reporting rising emissions. Much greater commitment is needed to meet President Obama’s targets, and certainly those of the IPCC.”

- ENDS -

For further information and a copy of the report, please contact Jo Philpotts +44 7775 895680, or Lisa Lee +44 207 415 7196.

www.cdproject.net

About CDP

The Carbon Disclosure Project (CDP) is an independent not-for-profit organization holding the largest database of corporate climate change information in the world. Some 2,500 organizations across the world’s largest economies now measure and disclose their greenhouse gas emissions and climate change strategies through CDP, in order that they can set reduction targets and make performance improvements. CDP represents some 534 institutional investors, with combined assets under management in excess of \$64 trillion and ensures that the financial community has access to the best available corporate climate change information to help drive investment flows towards a low carbon economy. For further information visit www.cdproject.net.