



**THE OFFICE OF  
STATE TREASURER  
DENISE L. NAPIER**

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# **NEWS**

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**TREASURY JOINS INSTITUTIONAL INVESTORS IN LAUDING FORD  
AS FIRST U.S. AUTOMAKER TO SET "CLEARLY DEFINED GOAL"  
FOR A MAJOR CUT IN GREENHOUSE GAS EMISSIONS**

**Pension Fund Resolution Key to Step Taken by Ford**

HARTFORD -- April 15, 2008 The Connecticut Treasury joined with other investors and the Ford Motor Co. in announcing that Ford is the first U.S. auto maker to put forth specific plans to reduce greenhouse gas (GHG) emissions from its new vehicle fleet by at least 30 percent by 2020. The decision by Ford to publish its emission target came in the wake of climate-related shareholder resolutions put forward by members of the Interfaith Center on Corporate Responsibility (ICCR), a group of nearly 300 religious institutional investors representing more than \$100 billion in invested funds, and the Connecticut Treasury, which is a member of the Investor Network on Climate Risk (INCR), a \$5 trillion network of investors. INCR was created in 2003 as part of an investor Action Plan that emerged from the first United Nations Summit on Climate Change, of which Nappier was a co-chair. Connecticut's Pension Fund is the only public pension fund to file a shareholder resolution this proxy season at Ford on reducing emissions and increasing fuel economy standards.

In March, Ford presented the Treasury and other concerned investors with a detailed analysis of its fuel emissions goals showing how the 30 percent emissions reduction would be achieved in a manner consistent with the 60-80 percent carbon dioxide (CO2) reductions by 2050 that Ford and dozens of other U.S. companies have agreed to as part of the U.S. Climate Action Partnership. Previously, the most any U.S. auto company has agreed to do on GHG emissions is to undertake enhanced reporting of climate-related impacts or set a general GHG goal without showing how it would be reached. As a result of Ford's more detailed analysis, the Connecticut Pension Fund, which holds 565,246 shares of Ford with a market value \$3,668,446.54 (as of April 7, 2008) withdrew its shareholder resolution.

"Climate change is a long-term, mounting problem, and for any company to maintain its future shareholder value, it must go from being silent on this issue to moving in the right direction by mitigating the potential financial harm posed by climate change," said Connecticut State Treasurer Denise L. Nappier. "For this reason, Ford's welcomed response to our climate change resolution is a defining moment in the automotive industry, and I hope it will challenge industry procrastinators. Others may say they're focused on future business growth and success, but they need to step up to the plate and likewise take responsive action."

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For more than three years, Ford management and engineers studied how the auto maker could reduce CO2 emissions, according to Sue Cischke, Ford's Group Vice President for Sustainability, Environment and Safety Engineering.

"We shared our findings with these institutional investors to help them understand our commitments and strategy," Cischke said. "We recognize much work remains to be done and we look forward to continued collaboration in addressing the challenges of climate change."

In commenting on the unprecedented nature of Ford's action's, Nappier said, "By publicly acknowledging that climate change will affect the auto industry and by committing to taking measurable action to increase fuel economy and reduce CO2 emissions over a specified time, Ford is making news. We encourage other auto companies to follow Ford's lead and help shape a sustainable environment conducive for business growth and success."

Sister Patricia A. Daly, OP, executive director, Tri-State Coalition for Responsible Investment, and representative for the Sisters of St. Dominic of Caldwell, NJ, the lead resolution filer, said: "Ford breaks new ground here as the first corporation to respond to shareowners by agreeing to pursue a specific and clearly defined target for climate-related emissions in their new products. The target is not even the win here; Ford has wrestled with various analyses to arrive at reduction goals. No other company has entered into this discipline. This goes far beyond acknowledging global warming or disclosing emissions. Even as a leader in the 'carbon club' Ford opens the door for other companies and industries to target reductions."

The withdrawals come one month after investors announced that a record 54 global warming shareholder resolutions have been filed with U.S. companies as part of the 2008 proxy season, which is nearly double the number filed two years ago. Companies targeted with resolutions include electric power companies, oil and coal producers, airlines and other businesses that investors believe are not adequately dealing with potential climate-related business impacts, whether from physical changes, emerging climate regulations or growing global demand for low-carbon technologies and services.

This year's filings come on the heels of a record high number of resolutions and record high voting support for global warming resolutions in the 2007 proxy season. Investors filed 43 resolutions with U.S. companies last year and average voting support was 21.6 percent. The shareholder filings are coordinated by the Interfaith Center on Corporate Responsibility and the Ceres investor coalition.

Personal vehicle use accounts for nearly 20 percent of CO2 emissions domestically and represents the second-largest source of greenhouse gas emissions in the U.S. From 1990 to 2006, transportation-related GHG emissions rose by 28 percent due in part to increased travel and a vehicle sales mix that included a significant percentage of larger vehicles.

Mindy Lubber, president of Ceres and director of the Investor Network on Climate Risk said: "Ford is taking a critical first step to align its products with the climate change challenge before us. But, let's not fool ourselves, this step is only a beginning. Ford, as well as General Motors, need to do much more, and quickly, to reclaim their leadership role in the global marketplace."