

**FOR IMMEDIATE RELEASE**  
November 14, 2007

**CONTACT:** Tara Klimek or Nina Banister  
(850) 413-2842

**CFO SINK ANNOUNCES STATE TREASURY REQUIRING DISCLOSURE  
OF CLIMATE RISK; EXPLORATION OF CLEAN ENERGY FUND FOR  
FLORIDA**

*Florida first state Treasury in United States to require climate risk disclosure*

**TALLAHASSEE**— Florida Chief Financial Officer Alex Sink today announced two new initiatives designed to help Florida financially prepare for the threat of climate change, including new disclosure requirements for the state’s Treasury investment managers and the exploration of the creation of a clean energy fund for Florida. Additionally, CFO Sink announced her appointment of Dr. Margaret Lowman of New College of Florida as her science advisor on climate change.

CFO Sink’s announcements followed Wednesday’s third and final “Conversations on Climate Change,” a Cabinet-level workshop co-sponsored by the CFO and Commissioner of Agriculture Charles Bronson. Wednesday’s workshop, “Climate Change: The Bottom Line,” highlighted the financial risks and opportunities in climate change for Floridians.

“Florida has 1300 miles of coastline that could be impacted by rising sea level and millions of taxpayers who depend on us to safeguard their tax dollars and retirement funds,” said CFO Sink, oversees the Department of Financial Services, the state’s \$20 billion in Treasury funds and serves on the board of the Florida pension fund, which has \$140 billion in assets. “It is my goal to help prepare Florida’s economy for the effects of climate change, avoid potential risks and take advantage of the many financial opportunities.”

**New Disclosure Requirements for Treasury Investment Managers**— After urging the Securities and Exchange Commission (SEC) in September to require public companies to assess and fully disclose their financial risks from climate change, CFO Sink is directing the state’s Treasury investment managers to detail their abilities to assess climate risk. Earlier this month, Bruce Gillander, Director of the Division of Treasury, met with individual investment managers to ascertain the incorporation of climate risk—or lack thereof—into their investment decisions. While some investment managers have begun planning for the potential impacts of climate risk in their portfolios, other managers have more work to do and need guidance on how to assess potential climate-related financial risks when making investment decisions. Investment managers will be required to report on climate risk as a part of their semi-annual reviews.

CFO Sink’s goal is to safeguard Floridians’ tax dollars from the risks posed by climate change and to encourage companies to capture opportunities related to the changing climate. Climate change can affect corporations financially in various ways, ranging from physical damage of facilities and increased costs of regulatory compliance, to opportunities in global markets for climate-friendly products or services that emit little or no global warming pollution. As a guide, CFO Sink is providing Treasury investment managers with the “Global Framework for Climate Risk Disclosure,” created by several leading investors and worldwide organizations in October 2006.

Additionally, CFO Sink is asking the Treasury investment managers to join her in petitioning the SEC to require disclosure of climate risk for public companies.

“As Florida’s fiscal watchdog, I want to ensure that Florida’s tax dollars are being managed by firms that are aware of threats to our bottom line—and this includes the financial threats presented by climate change,” said CFO Sink.

"Climate change will affect companies in a variety of ways, whether from physical damage to facilities or increased costs to comply with new regulations. Florida is showing great leadership as the first state treasury in the U.S. to require its investment fund managers to disclose how they are assessing these climate risks in their portfolios," said Mindy S. Lubber, president of Ceres and director of the Investor Network on Climate Risk (INCR), who spoke at Wednesday's climate change meeting.

**Exploring the Creation of a Clean Energy Fund for Florida**—After hearing a presentation by Lewis Milford, the president of Clean Energy States Alliance, CFO Sink today announced her intention to explore the creation of a clean energy fund in Florida. The Clean Energy States Alliance is made up of 18 states including California, New Mexico, Pennsylvania and New York, which have created clean energy funds or programs for their states. These clean energy programs have been used to invest in renewable clean energy resources, such as solar, wind and biomass, and can be used for consumer education or to provide incentives and tax credits to citizens taking advantage of more energy-friendly products, such as hybrid automobiles and solar water heaters. Over the next several months, CFO Sink will work with the Clean Energy States Alliance to explore the different funds used around the country and determine if there is a clean energy fund model best suited to further a clean energy market in Florida.

“Florida is the first southeastern state to join CESA, and we are extremely pleased that they are considering a clean energy fund,” said Milford. “We hope to help Florida become a national clean energy investment leader.”

**Dr. Margaret Lowman Appointed as Science Advisor**—CFO Sink today appointed Margaret Lowman, Ph.D. and Director of Environmental Initiatives at New College of Florida, as her science advisor on matters relating to climate change. Dr. Lowman has professorships in biology and environmental studies and was a presenter at CFO Sink’s and Commissioner Bronson’s first “Conversation on Climate Change” in April 2007. Dr. Lowman will advise the CFO on the science of climate change.

“I am honored to contribute my 30 years’ experience in professional science to serve as Science Advisor for Alex Sink, our state Chief Financial Officer,” said Dr. Lowman. “Florida – now more than ever – needs both science and economics at the table to map Florida’s future. As we face challenges such as climate change, water conservation, and obtaining clean energy, I hope that the integration of science, economics and policy will insure a healthy and prosperous Florida for our children.”

This year, CFO Sink and Commissioner Bronson partnered to host three climate change workshops, each featuring new topics and national experts in areas such as: the science of rising

sea levels, renewable energy sources, carbon offset and pricing, the impact of climate change on the insurance and financial industries and more. The sessions gave elected officials, business leaders and Floridians the opportunity to understand how these challenges and potential solutions present opportunities for the growth of new industries in our state.

By logging onto [www.floridaclimatechange.com](http://www.floridaclimatechange.com), Floridians can learn about climate change, review the agendas and presentations from past conversations, watch a Web cast of Wednesday's workshop and read about initiatives in other states.

###

*As a statewide elected officer of the Florida Cabinet, Chief Financial Officer Alex Sink oversees the Department of Financial Services, a multi-division state agency responsible for management of state funds and unclaimed property, assisting consumers who request information and help related to financial services, and investigating financial fraud. CFO Sink also serves as the State Fire Marshal.*