

Giant investor sees profit from fight against climate change



Vapour is released into the sky at a refinery in Wilmington, California. Legal & General Group, one of the world's biggest investors that oversees \$1.3tn, has modelled the climate crisis and sees both risk and a big opportunity, according to Bloomberg. Not only will climate action cost less than expected, but it will make emerging economies more robust. The funds manager anticipates that it can start shifting its investment portfolio now and make extra money during the next few decades – even if politicians keep failing to act on limiting an increase in global temperatures. If they finally do, profits will be even higher. “The cost of transformation will be much more manageable than many people think,” said Nick Stansbury, head of commodities research at the company's investment management unit. Asset managers are increasingly trying to quantify the risks associated with climate change. While most still rely on external models of the future energy system to make decisions, Legal & General's work is an

indication that some are increasing their scrutiny of the issue.