

The views expressed in these posts are those of the authors and are current only through the date stated. These views are subject to change at any time based upon market or other conditions, and Eaton Vance disclaims any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions for Eaton Vance are based on many factors, may not be relied upon as an indication of trading intent on behalf of any Eaton Vance fund. The discussion herein is general in nature and is provided for informational purposes only. There is no guarantee as to its accuracy or completeness.

[Responsible Investing](#)

[An unwanted record: 415 and rising](#)

By: John Miller | April 20, 2021

Washington - January 2021 set a new, unenviable climate change record, as the monthly average global concentration of carbon dioxide (CO₂) — a potent greenhouse gas (GHG) — crossed 415 parts per million (ppm).¹ Concentration levels of CO₂ are higher today than at any recorded point in the past 800,000 years.² To bend this GHG concentration arch back toward safe levels, real structural change in how emissions-intensive segments of the economy operate are needed now. Namely, the production and consumption of fossil fuels must decline.

As an investor, Calvert remains an active advocate for this structural change. Through our proprietary ESG research process, we seek to understand how corporates are positioned to perform — from both risk and opportunity perspectives — in a decarbonized economy. Similarly, in both our research and engagement processes, we push management teams to align corporate decarbonization targets and political spending into alignment with those real structural changes that are required.

With global economies set to begin the post-COVID-19 recovery process in 2021, we find ourselves at an interesting inflection point — business as usual or a correction in course? Again, as an investor, Calvert is ready to act. Specifically, the corporate actions we are looking for in 2021 include:

- Specific and accelerated decarbonization timelines — long-dated 2050 or back-loaded commitments are no longer acceptable; targets must be dated 2030 or 2040 with real short-term reductions in absolute emissions.
- Full GHG footprint consideration — a focus on direct emissions (Scope 1 and 2) is no longer acceptable; use of product and supply chain (Scope 3) commitments are necessary to fully evaluate risk.
- Considerations for equity and inclusion — zero-emissions vehicles and technology can no longer be confined to the affluent; environmental justice must be recognized, with commitments to directly benefit historically marginalized populations.

Bottom line: The bottom line in 2021 is, sadly enough, much the same as it was in 2020, 2019, 2018 and long before. We must act now on climate risk or expect to pay more later.

1. National Oceanic and Atmospheric Administration, Global Monitoring Laboratory, Trends in Atmospheric Carbon Dioxide.

2. Rebecca Lindsey, "Climate Change: Atmospheric Carbon Dioxide," ClimateWatch, August 14, 2020.



John Miller
VP and ESG Senior Research
Analyst
Calvert Research and
Management

["To bend this GHG concentration arch back toward safe levels, real structural change in how emissions-intensive segments of the economy operate are needed now."](#)

Eaton Vance is part of Morgan Stanley Investment Management, the asset management division of Morgan Stanley

This site (www.eatonvance.co.uk) is operated by Eaton Vance Management (International) Limited ("We"). We are a limited company, registered in England and Wales under company number 4228294 and have our registered office at 125 Old Broad Street, London, EC2N 1AR. Our VAT number is 762717416.

Eaton Vance Management (International) Limited is authorised and regulated by the Financial Conduct Authority ("FCA") and is entered on the FCA's register with register number 208634.

The value of your investment can go up or down so you may get back less than your initial investment. Past performance is not a guide to future returns.

The information on this webpage is not intended for U.S. residents. To visit our U.S. website [please click here](#).

Eaton Vance Management (Registration No. 1121368) and Parametric Portfolio Associates (Registration No. 1217626) are the registered trade marks of Eaton Vance.