# Global Companies Joining Climate Change Efforts

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By [JUSTIN GILLIS](http://topics.nytimes.com/top/reference/timestopics/people/g/justin_gillis/index.html" \o "More Articles by JUSTIN GILLIS) and NICHOLAS ST. FLEUR SEPT. 23, 2015

Some of the world’s most prominent companies are expected to set a long-term target on Wednesday of powering their operations entirely with renewable energy, the latest in a wave of commitments suggesting that corporations are becoming more serious about battling [global warming](http://topics.nytimes.com/top/news/science/topics/globalwarming/index.html?inline=nyt-classifier).

In addition, backers of a campaign to divest from fossil fuels [announced](http://divestinvest.org/2015report/) Tuesday that investment managers controlling assets of $2.6 trillion had joined their effort, a 50-fold increase from a year ago and a sign that the divestment movement had spread far beyond its modest [origins](http://www.nytimes.com/2012/12/05/business/energy-environment/to-fight-climate-change-college-students-take-aim-at-the-endowment-portfolio.html?_r=0http://www.nytimes.com/2012/12/05/business/energy-environment/to-fight-climate-change-college-students-take-aim-at-the-endowment-portfolio.html?_r=0) on American college campuses.

Nine major companies are expected on Wednesday to join a global [coalition](http://there100.org/) of firms intent on converting to renewable energy. The new members include [Johnson & Johnson](http://topics.nytimes.com/top/news/business/companies/johnson_and_johnson/index.html?inline=nyt-org), [Procter & Gamble](http://topics.nytimes.com/top/news/business/companies/procter_and_gamble/index.html?inline=nyt-org), [Starbucks](http://topics.nytimes.com/top/news/business/companies/starbucks_corporation/index.html?inline=nyt-org), [Walmart](http://topics.nytimes.com/top/news/business/companies/wal_mart_stores_inc/index.html?inline=nyt-org) and [Goldman Sachs](http://topics.nytimes.com/top/news/business/companies/goldman_sachs_group_inc/index.html?inline=nyt-org). A handful of the companies have already reached the 100 percent target; others do not expect to do so for several decades, but they are typically setting aggressive interim targets.

For example, Procter & Gamble, the world’s largest consumer-products company, said it would convert to 30 percent renewable energy by 2020, up from 7 percent today. The new target, a culmination of years of environmental efforts by the company, means that Bounty paper towels, Charmin toilet tissue, Tide detergent and many other goods commonly found in American pantries will increasingly be made with green energy.

“We’ve been very clear that we think [climate change](http://topics.nytimes.com/top/news/science/topics/globalwarming/index.html?inline=nyt-classifier) is something that’s real and needs to be addressed,” Len Sauers, P.&G.’s vice president for global sustainability, said in an interview. “People that use our products expect a company like P.&G. to be responsible.”

Thousands of corporate leaders, environmental activists and financiers are now gathering in New York for [Climate Week](http://www.climateweeknyc.org/), an annual showcase tied to the opening of the United Nations General Assembly. The gathering is meant to elicit stronger action from companies while putting pressure on governments to step up their own efforts on climate change.

This week’s event comes just ahead of an address to Congress by [Pope Francis](http://topics.nytimes.com/top/reference/timestopics/people/f/francis_i/index.html?inline=nyt-per), who is expected to reiterate his strong stand on the issue, and two months ahead of a meeting in Paris where negotiators will try to strike a broad new global deal to limit the emissions causing the planet to warm.

Companies have realized that cutting their energy use can save money. But they are also under pressure from consumers, particularly younger ones, to take action, and many companies have begun to see their environmental efforts as a core part of their business strategy.

The efforts include less overall use of energy and water, more recycling, more use of renewable energy, and a wave of promises to improve the supply chains for commodities like soybeans, palm [oil](http://topics.nytimes.com/top/news/business/energy-environment/oil-petroleum-and-gasoline/index.html?inline=nyt-classifier) and beef. These are often produced in the tropics, creating powerful financial incentives to chop down forests, which not only contributes to global warming but destroys some the world’s richest biological regions.

Two commodity companies, Bunge, of White Plains, N.Y., and Astra Agro Lestari, of Indonesia, announced strong policies in recent days meant to reduce deforestation. Glenn Hurowitz, a senior fellow at the Center for International Policy, a Washington think tank, described the Astra announcement as especially significant, given the palm oil company’s political influence in Indonesia, a country that has seen rampant deforestation in recent years.

However, Mr. Hurowitz and several other environmental advocates strongly criticized another company, Cargill, of Minnetonka, Minn. That giant commodity processor had signed a declaration in New York a year ago that committed many commodity firms to help end deforestation globally by 2020, yet a recent policy from Cargill does not commit to ending it entirely before 2030.

“Cargill is being left in the dust by its competitors in the race to provide environmentally responsible products to customers who demand them,” Mr. Hurowitz said.

A Cargill spokesman, Chris Schraeder, rejected the criticism and said Cargill was working as hard as possible to halt deforestation in its supply chain. “We believe our global policy is more extensive than anything else in our industry and we have action plans to show how we’re getting to our no-deforestation goal,” Mr. Schraeder said in a statement.

Many climate activists are working to persuade pension funds, universities, churches and other groups that hold endowments to divest from fossil fuel stocks. The activists blame the major fossil companies for blocking strong political action on emissions.

The demand to divest first arose several years ago on college campuses. A year ago, the assets under management by organizations that had pledged to divest totaled about $50 billion.

On Tuesday, Arabella Advisors, a firm focused on socially responsible finance, reported that the sum had grown to $2.6 trillion, a measure of the movement’s rapid spread and its success at convincing Wall Street money managers that fossil fuel stocks may be a risky long-term investment.

“That’s real money,” said Ellen Dorsey, executive director of the Wallace Global Fund, a charity that has backed divestment and that commissioned the Arabella report.

Organizations committed to some form of divestment now include some of the world’s major pension funds and other large pools of investment capital. The latest to divest, on Tuesday, was the charitable foundation created by the actor [Leonardo DiCaprio](http://topics.nytimes.com/top/reference/timestopics/people/d/leonardo_dicaprio/index.html?inline=nyt-per), who has long been active in environmental causes.

While the managers committing to divest may oversee $2.6 trillion of investments, it is not clear how much of that money is actually parked in fossil fuel stocks. While the sum is almost certainly in the tens of billions, the exact amount is essentially impossible to track since the investment positions of large money managers tend to change by the day.

Nor is it clear whether the divestment campaign is putting downward pressure on share prices. Almost all the fossil fuel stocks are down, some drastically, over the last few years with weakening global demand for coal, as well as oil production so robust it has saturated the market.

At a news conference on Tuesday, climate activists pointed out that universities rejecting divestment, as many have done, would probably have avoided substantial investment losses over the last few years if they had heeded their own students.

“I invite you to stand with students, or get out of the way,” said Alden Phinney, a student divestment activist from the University of California, Santa Cruz.

In a briefing on Tuesday, leaders of the American Petroleum Institute criticized the divestment campaign as unrealistic, and released a report stating that their industry is helping to finance technologies that reduce emissions of greenhouse gases. “There are those who would advocate for no fossil fuels at all, which is frankly irresponsible, since the United States depends on fossil fuels to meet 80 percent of its energy needs,” said Jack N. Gerard, president of the petroleum institute.

One coal company, Peabody Energy, has begun warning investors that the divestment campaign could be a material risk to its business. But most fossil fuel companies are not offering any such warning.

In fact, though the companies have discovered several times more reserves of fossil fuels than scientists say the world can safely afford to burn, they are spending several hundred billion dollars a year looking for additional coal, oil and natural gas.