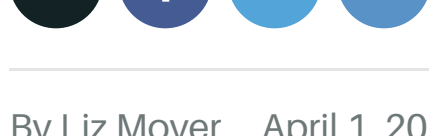


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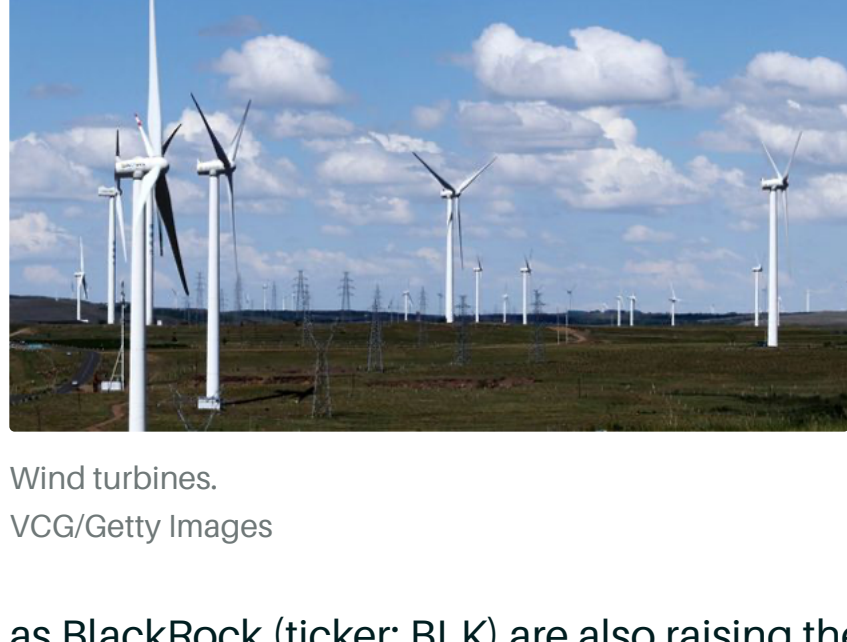
Battling Climate Change Will Cost Trillions. Wall Street Is Paying Attention.



By Liz Moyer April 1, 2021 5:21 pm ET

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Wind turbines. VCG/Getty Images

A bold vision of retooling the global economy to combat climate change will have to be matched by massive amounts of investment.

The cost of renewable products from wind turbines to electric-vehicle batteries is rapidly falling, consumers are getting more vocal, and voters are pressuring the government. Major investors such

as BlackRock (ticker: BLK) are also raising the stakes, putting climate change at the center of their strategies.

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Henry Paulson, the former Goldman Sachs chief executive and Treasury secretary, said the tone of his conversations with corporate chiefs has changed recently.

“CEOs see that markets are moving and that there’s going to be a massive change,” Paulson said during a webchat Thursday sponsored by the Economic Club of New York.

He compared the current moment to the days when cellular phone technology was emerging to challenge long-dominant landline giants. “There’s massive change coming, and we’re going to rewire society,” Paulson said. “There’s some real momentum.”

Paulson appeared along with former Microsoft (MSFT) CEO Bill Gates to talk about the private sector’s role in making sure there is capital to back climate-change initiatives.

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Gates-backed lithium battery maker QuantumScape (QS) recently launched an initial public offering that has drawn praise from Wall Street analysts, though its shares are down 4% this year. The S&P 500, which closed above 4000 for the first time on Thursday, is up 7% this year.

Another Gates-based company, the security firm Evolv, said last month it would go public through a blank-check company merger. Gates said more of his investments could go public through blank check companies “if the capital markets are willing.”

Paulson runs private-equity firm TPG’s Rise Climate fund, a platform to focus on investments in combating climate change. More money from the private-equity community could also come to bear, he said.

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He sees it as a generational opportunity. “I’m hoping and believe that it’ll pave the way for much more capital to come,” he said.

The amount of money needed is staggering. Earlier this week UBS estimated \$140 trillion of investments will be spent on decarbonizing the energy supply by 2050, and that’s just one part of a global effort to get to zero emissions.

On Wednesday, President Joe Biden outlined his \$2 trillion plan to rebuild the nation’s infrastructure, promising hundreds of thousands of new jobs in clean energy, electric vehicles, and bridge and highway construction.

His proposals counter the arguments of those who say shifting from a reliance on fossil fuels to more eco-friendly sources of power will kill American jobs.

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Still, there is plenty of skepticism whether Biden’s initiative will create the jobs he has promised. The automotive sector, for example, is preparing for an all-electric world. Biden’s plan includes \$174 billion to the industry to build electric cars, but this process requires less human labor.

Workers in the fossil-fuel industry also face upheaval as the world moves toward solar, wind, and other renewable resources.

Gates, author of the current New York Times bestseller *How to Avoid a Climate Disaster*, said Thursday some progress is already in motion.

Food producers are working on lower or zero-emission plant-based meat alternatives, such as Beyond Meat (BYND) and closely held Impossible Foods. Changing consumer habits will lead to less consumption of meat, cutting animal emissions.

There’s more to do in the industrial sector, where steelmakers and other companies are more entrenched in century-old practices.

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Still, Gates said, innovation means there’s hope. “This year the interest in climate and the discussion has achieved a whole new level,” he said.

Write to liz.moyer@barrons.com

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Stem Is a Play on the Future of Batteries. Its Stock Could Double.



By Al Root Updated Aug. 21, 2021 1:04 pm ET / Original Aug. 20, 2021 8:00 pm ET

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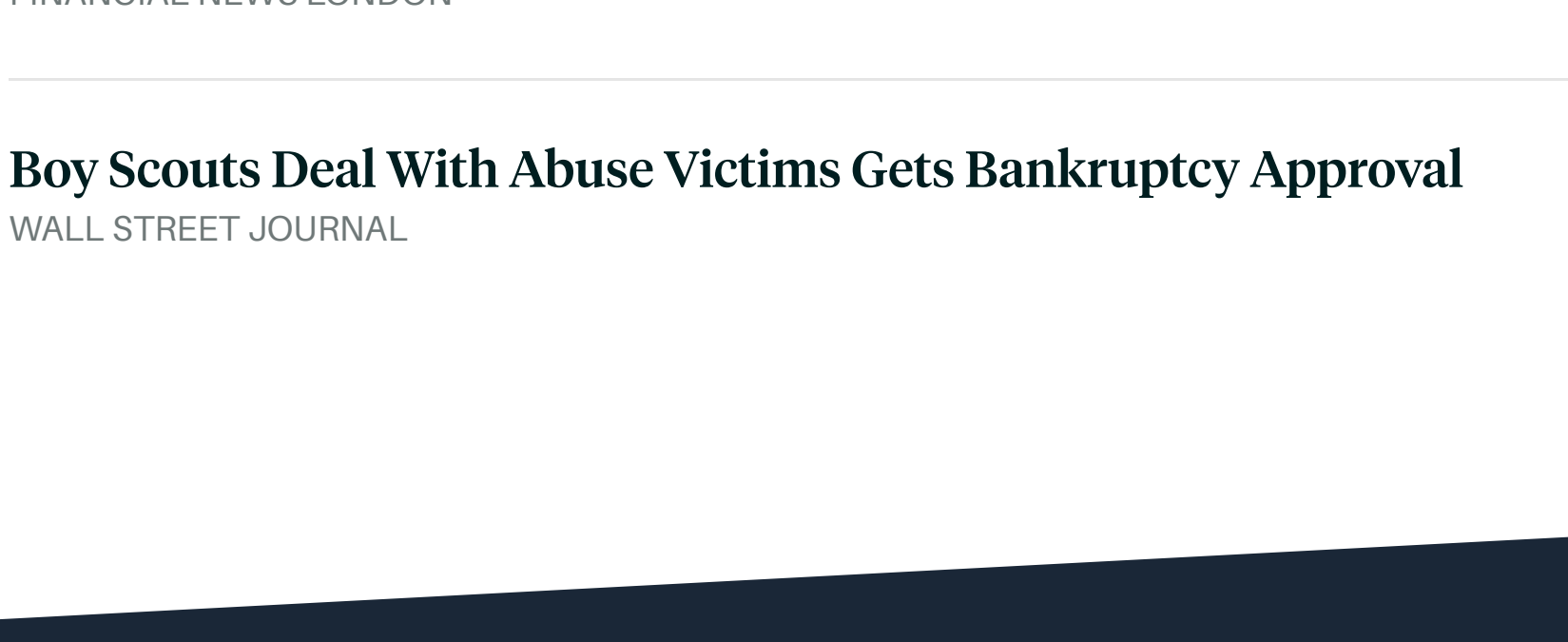


Illustration by Marcus Murrill

Batteries are being supersized as renewables take an ever-larger share of the world’s energy generation. And that’s great news for power-storage provider Stem.

Renewable energy, which accounted for just 10% of U.S. energy production 20 years ago, generates 20% today, and that share should continue to rise as the U.S., like other countries, gradually phases out fossil fuels in favor of more environmentally friendly alternatives.

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