

Only 4% of top ASX200 & NZX50 responding companies reported carbon pricing as a high impact risk

Melbourne, Australia, 7 November 2011. Only 4% of ASX200 and NZX50 responding companies reported that carbon pricing was a high impact risk to their business, while overall 33% of responding companies rated the risk as medium or above according to the latest report from the Carbon Disclosure Project (CDP) written by Deloitte Australia.

The CDP Australia & NZ Report 2011 is the sixth annual assessment of climate change disclosures made by ASX200 and NZX50 companies to investors through the CDP. 50% (up from 47% last year) of companies on the ASX200 responded to the CDP questionnaire asking them to measure and disclose what climate change means for their business, while 42% (down from 46% in 2010) responded from the NZX50.

Nathan Fabian, CEO of the Investor Group on Climate Change, said, "This year's CDP report shows that only 4% of Australian & NZ companies reported to investors that carbon pricing was a high impact risk to their business. This is consistent with what companies have been telling the market for some time."

Brad Pollock, Lead Partner – Sustainability & Climate Change at Deloitte Australia, said, "There is evidence in CDP 2011 disclosures of a two-speed business response to climate change by ASX and NZX companies, in terms of carbon disclosure and performance. Leading Australian companies, concentrated in the banking and property sectors, are continuing to improve their performance, while other sectors are lagging behind, with a few notable exceptions."

For ten years, CDP, an independent not-for-profit organisation, has been working on behalf of a growing number of investors, seeking information from the world's largest companies on their climate change and water management strategies, greenhouse gas emissions and water use. This year's climate change information request was sent to almost 6,000 of the world's leading corporations on behalf of over 551 institutional investors with over US\$71 trillion in assets under management, including 45 signatory investors in Australia & NZ.

"Collaboration amongst investors and companies is key to mobilising a shift towards a more sustainable economy. Catholic Super will continue to support CDP's development through collaboration with groups such as the Investor Group on Climate Change and encourages companies to continue developing their carbon management practices", said Frank Pegan, CEO of Catholic Super, a sponsor of the report.

A key feature of this year's Australia & NZ report - which is sponsored by Catholic Super and Westpac/BT Financial Group - is increased transparency and comparability of climate change information for investors and other stakeholders. For the first time in Australia & NZ, emissions information from all ASX200 and NZX50 responding companies has been published in the report. Carbon disclosure scores – which assess the quality of climate change disclosures by companies to investors - have been published for all Australian & NZ listed companies that achieved a disclosure score above 50. All carbon performance scores have also been published – these scores provide an indication of the extent to which companies are addressing the potential opportunities and risks presented by climate change.

“BT Financial Group is committed to promoting business best practice and strategies that contribute to the sustainability of our future generations,” said David Lees , BT Financial Group’s General Manager of Super and Investments. “As the wealth management arm of the Westpac Group, we recognise the importance of incorporating environmental, social and governance issues in our investment analysis and decision making. We are proud to support the CDP as an important tool for Australian and New Zealand businesses to manage their carbon performance through best practice reporting and disclosure.”

Top scoring ASX & NZX companies recognized on both the Carbon Disclosure Leadership Index and the Carbon Performance Leadership Index

<u>Company</u>	<u>Sector</u>	<u>Carbon disclosure score</u>	<u>Carbon performance band</u>
Commonwealth Property Office Fund	Financials	96	A
Westpac Banking Corporation	Financials	96	A
AGL Energy Limited	Utilities	92	A
National Australia Bank	Financials	91	A
Commonwealth Bank of Australia	Financials	89	A
Mirvac Group Ltd	Financials	81	A

Paul Dickinson, the co-founder and Executive Chairman of the Carbon Disclosure Project, will launch the CDP Australia & New Zealand report this morning at Carbon Expo Australasia in Melbourne. Mr Dickinson said, “CDP’s global climate change reporting and benchmarking system shows that Australia has some top-performing companies on climate change, most of which are in the banking and property sectors. The majority of Australian and NZ companies though, especially in the most emissions intensive sectors of materials & mining, utilities, energy and industrials are trailing their international counterparts in terms of setting and achieving emission reduction targets.

He continued, saying “Only 29% of reporting utilities, 36% of Energy sector respondents, 39% of Industrials and 48% of Materials sector respondents from the ASX200 and NZX50 reported having any carbon emission reduction targets. This is concerning, as it indicates that many companies with substantial emissions are still not setting emission reduction targets, and is also indicative of a lack of preparedness to respond to carbon pricing and economy wide emission reduction targets”.

Mr Dickinson concluded by saying: “Extreme weather events such as flooding in Queensland and Victoria earlier this year seems to be resulting in more companies linking extreme weather events and future physical risks in their risk reporting. More companies were better able to quantify the financial impacts of extreme weather events on their business this year, and this also seems to be leading an increasing number of companies to prepare more detailed plans for mitigating the impact of future events.”

About CDP

The Carbon Disclosure Project (CDP) is an independent not-for-profit organisation providing a transformative global system for companies and cities to measure, disclose, manage and share climate change and water information. Over 3,000 organisations across the world's largest economies now report their greenhouse gas emissions and assessment of climate change risk and opportunity through CDP, in order that they can set reduction targets and make performance improvements. This data is gathered on behalf of 551 institutional investors, holding US\$71 trillion in assets. CDP now holds the largest collection globally of self-reported climate change data. For more information visit www.cdproject.net

About IGCC - CDP Australia & NZ Investor Relations Partner

The IGCC represents institutional investors, with total funds under management of approximately \$700 billion, and others in the investment community interested in the impact of climate change on investments.

The IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuants and unit holders. For more information visit www.igcc.org.au

About Deloitte Australia – CDP Australia & NZ Report Partner

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Deloitte's role as the 2011 Australian & New Zealand CDP Report Partner underscores our leading role in providing a broad range of carbon advisory, reporting and assurance services to clients.

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