



20 February 2019

## Global investors working with companies to achieve Paris goals

Today's decision by Glencore demonstrates how investors are working with companies through the Climate Action 100+ to put in place practical strategies to achieve the goals of the Paris Agreement.

This announcement follows similar announcements by Shell, BP and Maersk, who have worked with investors through the Climate Action 100+ to agree to sensible roadmaps for action.

“We welcome positive engagement with companies, like with this Glencore announcement, to achieve effective climate change outcomes in the best interests of the Australian economy and shareholder returns”, said Emma Herd, CEO of the Investor Group on Climate Change and member of the global Steering Committee for the Climate Action 100+.

“Investors are stepping up their actions as part of a growing concern regarding systemic climate change risks and to ensure that investments deliver in the long-term interests of super fund members”.

“We look forward to further engagement with companies through the Climate Action 100+,” said Ms Herd.

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### **About the Climate Action 100+**

Climate Action 100+ is an investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. More than 300 investors with over \$32 trillion in assets collectively under management are engaging companies on improving governance, curbing emissions and strengthening climate-related financial disclosures. The companies include 100 'systemically important emitters', accounting for two-thirds of annual global industrial emissions, alongside more than 60 others with significant opportunity to drive the clean energy transition.

Launched in December 2017, Climate Action 100+ is coordinated by five partner organisations: Asia Investor Group on Climate Change (AIGCC); Ceres; Investor Group on Climate Change (IGCC); Institutional Investors Group on Climate Change (IIGCC) and

Principles for Responsible Investment (PRI). These organisations, along with five investor representatives from AustralianSuper, California Public Employees' Retirement System (CalPERS), HSBC Global Asset Management, Ircantec and Manulife Asset Management, form the global Steering Committee for the initiative. Investor engagement across Europe is delivered with the support of IIGCC. For more information, visit: [www.ClimateAction100.org](http://www.ClimateAction100.org) and follow: @ActOnClimate100.

The full statement from Glencore is available [here](#).

Please [see here](#) for a version of the announcement being issued by the lead investors, the Church Commissioners, who undertook engagement for Climate Action 100+.

Statements from members of the Global Steering Committee from the Climate Action 100+ are set out below.

## **Climate Action 100+ welcomes Glencore climate change commitments**

As a result of engagement led by Climate Action 100+ signatory investors, Glencore has agreed to align its business and investments with the goals of the Paris Agreement (to limit warming to well below 2 degrees and to achieve net zero emissions in the second half of the century).

This is a first for the mining industry. Importantly, Glencore has undertaken not to grow its coal production capacity.

Engagement with the company was led by The Church Commissioners for England, with active participation from Investec Asset Management and Kempen.

### **Members of the global Climate Action 100+ Steering Committee released the following comments.**

"Climate change brings both risk and opportunity for investors. Keeping global warming to well below two degrees demands bold and urgent action from the world's largest greenhouse gas emitters," said **Anne Simpson, Climate Action 100+ global Steering Committee chair, and CalPERS Director of Board Governance and Strategy**. "Glencore's new commitments to its investors are a vital step forward in the path to align strategy with the goals of Climate Action100+."

"Glencore's commitment to work within the Paris Agreement is a significant step forward for the company. As engagement moves to the next stage we look forward to working with Glencore and the sector as a whole on reducing emissions across the value chain," explained **Stephanie Pfeifer, a member of the global Climate Action 100+ Steering Committee and CEO, Institutional Investors Group on Climate Change**.

"Glencore's announcement is a significant step for the mining sector with potentially wide-reaching implications" said **Emma Herd, Chief Executive Officer of the Investor Group on Climate Change (Australia/New Zealand)**. "Investors will now be looking for more companies in the sector to align their business decisions with the Paris Agreement".

"We are encouraged to see that Glencore has taken the positive steps to align its business strategy with the goals laid out by the Paris Agreement to limit global temperature rise and to achieve net zero emissions," said **Mindy Lubber, vice chair of the global Climate Action 100+ Steering**

**Committee and CEO and President of Ceres.** "As the first mining company to make such a commitment, we are hopeful that others in the sector and in other high-emitting sectors across the economy will follow suit."

"This announcement from Glencore sets a significant precedent for the sector across all regions, " said **Rebecca Mikula-Wright, Director, Asia Investor Group on Climate Change.** "Investors will continue to work with companies and use this as an example of how low carbon transition strategies can be achieved."

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