



FOR IMMEDIATE RELEASE

### **LAPFF Supports Say On Climate Initiative**

Shareholders must be able to vote on companies' carbon reduction strategies

In advance of the five-year anniversary of the Paris Climate Agreement this Saturday, the Forum today announces its support for the 'Say on Climate' initiative, which encourages all listed companies to submit a Climate Transition Action Plan to a shareholder vote at their AGMs.

LAPFF considers that companies' failure to manage climate risk presents a significant threat to shareholder value. Members have been filing resolutions on environmental and climate issues since 1997. However shareholders' ability to use their voting rights to specifically address climate change remains very limited at present time.

The Forum believes filing resolutions at a limited number of companies of high carbon impact is no longer enough. All listed companies need to present a clear strategy for reducing their entire carbon footprint (across scopes one, two & three) on which investors can vote on annually at the AGM.

The 'Say on Climate' initiative is led by Sir Chris Hohn of the Children's Investment Fund Foundation. Working through his fund, TCI, Sir Chris earlier this year secured an annual vote on a climate transition plan at Aena, the Spanish airport operator.

**Cllr Doug McMurdo, Chair of Local Authority Pension Fund Forum, said:** 'Say on Climate' presents an opportunity for shareholders to effectively hold companies to account on climate, and to affect real change. More must be done to reduce carbon emissions and the Forum is not afraid to rise to the challenge.'

The Forum believes that asset owners and managers should incorporate 'Say on Climate' into their investment and voting policies, and where investee companies do not voluntarily put an action plan to shareholders for approval, consider filing or co-filing 'say on climate' resolutions.

LAPFF endorses advocating for a mandatory 'say on climate' which would mean that regulation would ensure this opportunity would be on every listed companies' AGM ballot.

**ENDS>**

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**For further information:**

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**About the Local Authority Pension Fund Forum:** The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 82 public sector pension funds and seven pools based in the UK with combined assets of over £300 billion. It exists to 'promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' PIRC is the Research and Engagement partner to the Forum @lapfforum <https://lapfforum.org/>.

Further information on the Say on Climate Initiative can be found here: <https://www.sayonclimate.org/>