



FOR IMMEDIATE RELEASE

**LAPFF recommends an OPPOSE to Shell's Climate Change Strategy
and SUPPORT for Follow This Shareholder resolution –
and urges other shareholders to do likewise.**

London 09.00 (BST) Royal Dutch Shell has put its climate change strategy to the vote for its 2021 Annual Meeting. This in the form of an advisory vote on the company's energy transition strategy.

Whilst supporting the principle of 'Say on Climate' – whereby companies put their climate change approach to the vote "LAPFF cannot support Shell's strategy" said Cllr Doug McMurdo, Chair of LAPFF.

The strategy as stated does not sufficiently address the challenges Shell faces with competition from renewable energy potentially putting fossil fuel businesses out of business on cost grounds alone.

Yet its net zero strategy is couched in such terms that Shell will decarbonise 'in step with society'. That is not taking a lead, that is a recipe for being left with stranded assets.

There are references to relying on very large amounts of carbon capture and storage (CCS) yet it is unclear for what products, and CCS doesn't work without subsidy and it does not result in 'net zero'.

There are also references to very large amounts of tree planting by 2030 (nature based solutions).

We could not reconcile these very large amounts to credible areas of land in the short timescale that would entail. But more fundamentally, nature based solutions are expected to be needed for difficult to abate sectors, such as cement, chemical manufacturing and aviation.

LAPFF will be recommending that member funds vote in favour of the Resolution from Follow This for climate targets aligned with the Paris Agreement

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/>