



LAPFF Recommends Vote to Oppose BHP Climate Plan

Vote stems from plan's lack of alignment with Paris Agreement

LAPFF has issued a voting alert to its members recommending a vote to oppose BHP's climate plan for its lack of alignment with the Paris Agreement. However, LAPFF has recommended votes in favour of two other climate-related shareholder resolutions: an increase in climate-related lobbying transparency and capital protection to wind down fossil fuel investment.

LAPFF appreciates the constructive dialogue it has had with BHP in recent years and notes the measures the company has taken toward reducing its carbon emissions. LAPFF also commends the company for supporting the climate lobbying shareholder resolution. However, BHP's climate plan is not Paris-aligned and appears to rely too heavily on carbon capture and offsetting as a means of carbon reduction.

LAPFF has continuously raised concerns about the viability of such technologies and approaches, especially given the short timeframe in which to make a meaningful impact on climate. Therefore, LAPFF felt compelled to recommend a vote against BHP's climate plan at the upcoming AGM.

LAPFF Chair Cllr Doug McMurdo said: "Climate change is not a negotiation. The number of plans that fail to meet the goals of the Paris Agreement is alarming. I have always shared the view that Covid is a dress rehearsal for climate change; we must learn and take meaningful action much more quickly on both fronts."

LAPFF's recommendations join the increasingly widespread calls for shareholders to reject BHP's climate plan. LAPFF will continue its discussions with BHP and other companies to work for Paris-aligned climate plans in the future.

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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 84 public sector pension funds and six 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/>.