



FOR IMMEDIATE RELEASE

**Investors call for a Say on Climate  
LAPFF, Sarasin & Partners, CCLA and Ethos Foundation write to the  
FTSE All-share urging AGM vote on climate action plans**

Last week the Local Authority Pension Fund Forum (LAPFF), Sarasin & Partners LLP, CCLA and Ethos Foundation wrote to the chairs of all FTSE listed companies (excluding investment trusts) requesting that companies allow for a shareholder vote on their greenhouse gas emission reduction strategy. Having a ‘Say on Climate’ vote aims to enhance transparency and accountability on one of the most pressing financially material risks facing investee companies.

Ahead of the 2023 AGM season, the letter welcomed those Boards that have already enabled shareholders to have a ‘Say on Climate’ via a resolution on the ballot paper. However, the letter urged all companies to follow suit by disclosing their transition plans aligned to a 1.5°C temperature outcome and allowing investor oversight on the robustness of plans through a vote on the strategy and any associated capital expenditure requirements.

The intervention comes against the backdrop of increasing pressure from government and regulators to draw up plans and take action to reduce emissions. The letter’s signatories noted the HM Treasury’s launch of the UK Transition Plan Taskforce to develop the ‘gold standard’ for private sector climate transition plans in the UK. The taskforce states that a transition plan should be integral to the company’s overall strategy, setting out how it aims to prepare and contribute to a rapid shift towards a decarbonised economy.

**Cllr Doug McMurdo, Chair of LAPFF, said:**

“The lack of disclosure and the timidity of climate plans at many companies are very serious concerns for investors. Such concerns should be addressed by all companies publishing credible climate action plans and allowing investors to have a say on whether the strategies are fit for purpose.”

**Natasha Landell-Mills, Partner at Sarasin & Partners LLP, said:**

“Climate change is eroding humanity’s ability to prosper. Companies cannot continue to generate wealth on the back of eroding natural capital. Promises to align with net



zero are necessary but not sufficient to move us onto a more sustainable path. Where will investment go to build a net zero future? What harmful activities will be wound down? Investors – and the public – need to know how these promises are going to be delivered.”

**Tessa Younger, Better Environment Lead at CCLA, said:**

“CCLA advocates for companies to produce high quality transition plans to enable them to make better-informed decisions on how to allocate capital. As part of the Delivery Group for the Transition Plan Taskforce, we believe there should be disclosure of robust transition plans, and governance and accountability mechanisms that support their delivery. A routine vote at company AGMs would provide this mechanism for companies to take account of shareholder feedback.”

**Vincent Kaufmann, CEO of the Ethos Foundation, said:** “Climate change represents a significant risk for companies and their shareholders. Shareholders expect a board of directors not only to set ambitious targets to reduce GHG emissions but also, and more importantly, to define a clear and efficient strategy to achieve these targets. The aim of ‘Say on Climate’ is precisely to enable shareholders to assess the effectiveness of climate strategies and, when necessary, to increase pressure on the board of directors if the measures taken are not considered sufficient.”

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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 86 public sector pension funds and six pool companies based in the UK with combined assets of over £350 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 LAPFF.

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