



Our objectives and approach to addressing climate change issues align with the Climate Change policy and Coal policy published online.

Our position

We are a member of the Net Zero Asset Managers initiative¹ and commit to supporting the goal of net zero greenhouse gas ('GHG') emissions by 2050. We engage with issuers exposed to thermal coal extraction and power generation. Concretely, we focus on those with more than 20 per cent of revenues from coal extraction by the end of 2022, and 10 per cent by the end of 2025. Also in scope are those with more than 30 per cent coal-fired power generating capacity by the end of 2022, and 10 per cent by the end of 2025. We support a just transition² where we engage with issuers to ensure that impact assessments on workers, supply chain, communities and consumers are taken into consideration of their net zero transition plans.

What we do

We have been involved in the Climate Action 100+ since its inception and continue to lead engagement with companies, notably those with long and complicated supply chains. We continue our involvement in the CDP non-disclosure campaign, and are actively engaged in discussion with International Financial Reporting Standards (IFRS) Foundation and the International Sustainability Standards Board (ISSB) on financial and sustainability reporting with a strong focus on climate change related disclosure. Company climate strategy and policy should specifically address climate change risks and opportunities. These should adopt sector-based decarbonisation where it is appropriate and available, and actively take part in public policy engagements that enable industrywide progress for decarbonisation. Companies should also understand and measure climate change impact on business operations, strategy and financial planning.

1. <https://www.netzeroassetmanagers.org/>

2. [Financing a Just Transition - Grantham Research Institute on climate change and the environment \(lse.ac.uk\)](#)

We engage with companies on:

- ◆ Their commitment to net zero and a just transition, and how they set interim targets;
- ◆ Improving their emissions disclosure, such as scope 3 emissions; and
- ◆ Setting a reasonable price on carbon and supporting the development of a global coordinated and transparent platform for carbon markets and trading.

We expect companies to provide Climate Key Performance Indicators (KPIs) aligned with international best practices on disclosure and reporting, including but not limited to:

- ◆ How they monitor and disclose climate-related risk management procedures;
- ◆ Metrics used to assess climate-related risks;
- ◆ Timeframes for monitoring risks; and
- ◆ The role of board/management (sustainability committee or similar).

How we vote

We may vote against the Chair of the Board or the relevant Board of Directors of companies operating in high emitting sectors who fail to implement adequate reporting on climate issues.

In 2022, we apply a 'Say on Climate' watch list using Transition Pathway Initiative climate transition and Influence Map's organisational metrics as reference.

		TPI	CA100+ influence map score
Highest carbon intensive sectors (oil and gas, coal mining, utilities)	Developed markets	below 4	'misaligned'
	Emerging markets	below 3	
High carbon intensive sectors (airlines, aluminium, autos, cement, chemicals, consumer goods, diversified mining, industrials, paper, shipping, steel)	Developed markets	below 3	'strongly misaligned'
	Emerging markets	below 2	

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