

## Overview of LAPFF's engagement on climate change and carbon risk over the last 10 years

The Local Authority Pension Fund Forum (LAPFF or the Forum) engages on climate change and carbon risk on behalf of its member funds.

The Forum began work on corporate climate change and disclosure in 2001. Over the last ten years, this work has substantially increased, particularly through extensive engagement with companies. Over the last year, carbon risk and climate change have formed the subject of over 50 unique engagements with more than 20 companies. Particularly successful engagements included co-filing strategic resilience resolutions on carbon risk management with Shell and BP in 2015 which were supported by the boards and 98% of voting shareholders and resulted in improved reporting in the 2016 cycle. In 2016, similar resolutions were filed with Rio Tinto, Anglo American and Glencore, also receiving high levels of support, thus amplifying the voices of institutional shareholders for companies to account for carbon risk in their reporting. In July 2016, the Forum launched a report with the Carbon Tracker Initiative specifically focussing on climate change engagement, titled: [‘Engaging for a Low Carbon Transition’](#).

LAPFF also engages collaboratively with other investors and stakeholders, where this magnifies member fund's influence. The Forum is a member of the Investor Network on Climate Risk, a network of institutional investors and financial institutions that promotes better understanding of the financial risks and investment opportunities posed by climate change. Recent examples of collaboration include: a [shareholder position paper](#), pushing for more detailed reporting on material climate-related risks within companies' annual reports; a [joint letter](#) to the Financial Reporting Council on climate risk reporting in viability statements; and letters to Total and Eni calling for increased disclosure on strategic resilience. In the latter case, both companies subsequently released enhanced reports, showing the benefits of this engagement.

LAPFF also engages with government departments to push for increased reporting and, where relevant, legislation or guidance, on carbon risk issues. In June 2007, LAPFF responded to the government's consultation on the Climate Change Bill, pushing for tougher targets on emissions and mandatory corporate carbon emission disclosure. The Forum has since responded to a number of additional [consultations](#) related to climate risk including the DEFRA Consultation on Greenhouse Gas Emissions Reporting Regulations (2012), the FRC Consultation on the Strategic Report (2013) and the Taskforce on Climate Disclosure's Phase I Consultation (2016).