

FOR IMMEDIATE RELEASE

LAPFF and 50/50 Climate Project announce new partnership to pursue strategic initiative on climate risk

The Local Authority Pension Fund Forum (LAPFF) announced today that it is partnering with the 50/50 Climate Project. Hot on the heels of historic shareholder victories on climate risk disclosure (62% of shareholders last week voted in favour of a climate change disclosure resolution at ExxonMobil), the new partnership will see LAPFF ratchetting up its engagement with companies on climate risks and its potential impact on shareholder value.

The 50/50 Climate Project, which engages the 50 largest public companies with systematically significant carbon footprints, will bolster the Forum's efforts to ensure climate competent boards and enable increased collective investor action advocating better climate strategies and decision-making.

The move will see the Forum draw on the 50/50 Climate Project's experience and build on the successful track record of both organisations. The Project has already made significant advances securing proxy access for shareholder promoted director candidates, rising from just 1% of S&P 500 large-cap firms in 2014 to over half by the beginning of 2017. A shareholder resolution to Exxon-Mobil in 2016 for proxy access won support from 62% of votes cast, this has been enacted into the company's proxy access arrangements. Another resolution calling for the appointment of a 'climate expert' on the board was supported by 21% of shareholders. Subsequent to this, the board appointed Susan Avery, a respected climate scientist to the board.

The partnership is set to enhance LAPFF's established position as a leading investor voice on climate change risk. Most recently, Forum funds co-filed the successful 'Aiming for A' strategic resilience resolutions on climate risk at Shell, BP, Anglo American, Glencore and Rio Tinto AGMs. The partnership with the 50/50 Climate Project aims not only to build on LAPFF's long-term positive engagement record but also complement the Forum's work with other collaborative initiatives. Specifically, the partnership will provide LAPFF with research on company risks and opportunities, analysis of corporate-board climate competencies, and involvement in campaigns to refresh boardrooms as well as supporting the development of a pipeline of credible 'climate-literate' director candidates.

CIlr Kieran Quinn, Chairman of the Local Authority Pension Fund Forum, said:

"The Forum is delighted to be teaming up with the 50/50 Climate Project. Recent weeks have shown the power shareholders can exert on companies to take seriously the risks posed by climate change. Coming on the back on these successes and several years of effective collaborations, this partnership marks a new era in the Forum's efforts to safeguard shareholder value against climate-change risk."

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About the Local Authority Pension Fund Forum

The Local Authority Pension Fund Forum (LAPFF), founded in 1991, is a voluntary association of 72 public sector pension funds based in the UK with combined assets of approximately £200 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.' www.lapfforum.org. PIRC is the Research and Engagement partner to the Forum.