GOALS OF CLIMATE ACTION 100+

THE ENGAGEMENT AGENDA – WHAT COMPANIES NEED TO DO

1. GOVERNANCE
   Implement a strong governance framework, with board accountability

2. ACTION
   Take action to reduce greenhouse gas emissions across their value chain

3. DISCLOSURE
   Provide enhanced corporate disclosure in line with TCFD
OUR GLOBAL FOOTPRINT

373 investor signatories, representing over $35 TRILLION in assets under management

18 SIGNATORIES IN ASIA

373 TOTAL SIGNATORIES

219 SIGNATORIES IN EUROPE

103 SIGNATORIES IN NORTH AMERICA

1 SIGNATORY IN SOUTH AMERICA

1 SIGNATORY IN AFRICA

31 SIGNATORIES IN AUSTRALASIA

161 GLOBAL COMPANIES

Up to 80% of global industrial emissions accounted for by the companies targeted by Climate Action 100+

Global investor signatories in 28 MARKETS

Signatories by market

<table>
<thead>
<tr>
<th>Country</th>
<th>Signatories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>7</td>
</tr>
<tr>
<td>Germany</td>
<td>8</td>
</tr>
<tr>
<td>Norway</td>
<td>5</td>
</tr>
<tr>
<td>Austria</td>
<td>3</td>
</tr>
<tr>
<td>Hong Kong SAR</td>
<td>3</td>
</tr>
<tr>
<td>South Africa</td>
<td>1</td>
</tr>
<tr>
<td>Belgium</td>
<td>2</td>
</tr>
<tr>
<td>India</td>
<td>1</td>
</tr>
<tr>
<td>Spain</td>
<td>4</td>
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<td>Canada</td>
<td>19</td>
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<td>Indonesia</td>
<td>1</td>
</tr>
<tr>
<td>Sweden</td>
<td>21</td>
</tr>
<tr>
<td>Portugal</td>
<td>1</td>
</tr>
<tr>
<td>Ireland</td>
<td>3</td>
</tr>
<tr>
<td>Switzerland</td>
<td>42</td>
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<td>Colombia</td>
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</tr>
<tr>
<td>Italy</td>
<td>2</td>
</tr>
<tr>
<td>Taiwan</td>
<td>2</td>
</tr>
<tr>
<td>Denmark</td>
<td>14</td>
</tr>
<tr>
<td>Japan</td>
<td>9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>57</td>
</tr>
<tr>
<td>Estonia</td>
<td>1</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>1</td>
</tr>
<tr>
<td>United States</td>
<td>86</td>
</tr>
<tr>
<td>Finland</td>
<td>12</td>
</tr>
<tr>
<td>Netherlands</td>
<td>21</td>
</tr>
<tr>
<td>France</td>
<td>26</td>
</tr>
<tr>
<td>New Zealand</td>
<td>3</td>
</tr>
<tr>
<td>Total signatories</td>
<td>373</td>
</tr>
</tbody>
</table>

Investor network locations
- IGCC Europe
- Ceres North America
- ANCC Asia
- ICGCC Australasia
- PRI Global
CLIMATE ACTION 100+ GOVERNANCE AND OPERATING STRUCTURE

STEERING COMMITTEE

Investor representatives (5) Investor network CEOs (5)

- PRI Climate Action 100+ Global Working Group: 39 Focus Companies
- Ceres North America Engagement Working Group: 33 Focus Companies
- IIGCC European Engagement Working Group: 46 Focus Companies
- AIGCC-PRI Asian Engagement Working Group: 32 Focus Companies
- IGCC Australian & NZ Engagement Working Group: 11 Focus Companies

PRI affiliated working groups

- PRI oil & gas engagement
- PRI Methane engagement

Asia Advisory Group

CalPERS, Cathay Financial, China AMC, GPIF, Manulife AM
### 1. How Companies Are Performing on Climate Governance

#### Percentage of companies that have nominated a board member or board committee with clear responsibility for climate change policy

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer products (14)</td>
<td>93%</td>
</tr>
<tr>
<td>Oil &amp; gas (39)</td>
<td>85%</td>
</tr>
<tr>
<td>Transportation (26)</td>
<td>81%</td>
</tr>
<tr>
<td>Utilities &amp; power producers (31)</td>
<td>74%</td>
</tr>
<tr>
<td>Industrials (26)</td>
<td>73%</td>
</tr>
<tr>
<td>Mining &amp; metals (23)</td>
<td>61%</td>
</tr>
<tr>
<td>Aggregate (159)</td>
<td>77%</td>
</tr>
</tbody>
</table>

Source: TPI, August 2019

#### Percentage of companies that ensure consistency between their climate change policy and the positions taken by industry associations of which they are a member

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer products (14)</td>
<td>14%</td>
</tr>
<tr>
<td>Transportation (26)</td>
<td>12%</td>
</tr>
<tr>
<td>Mining &amp; metals (23)</td>
<td>12%</td>
</tr>
<tr>
<td>Oil &amp; gas (39)</td>
<td>9%</td>
</tr>
<tr>
<td>Industrials (26)</td>
<td>9%</td>
</tr>
<tr>
<td>Utilities &amp; power producers (31)</td>
<td>3%</td>
</tr>
<tr>
<td>Aggregate (159)</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: TPI, August 2019
2. HOW COMPANIES ARE PERFORMING ON CLIMATE ACTION

Percentage of focus companies that have set long-term quantitative targets for reducing GHG emissions

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer products (14)</td>
<td>86%</td>
</tr>
<tr>
<td>Transportation (26)</td>
<td>81%</td>
</tr>
<tr>
<td>Utilities &amp; power producers (31)</td>
<td>81%</td>
</tr>
<tr>
<td>Industrials (26)</td>
<td>69%</td>
</tr>
<tr>
<td>Oil &amp; gas (39)</td>
<td>62%</td>
</tr>
<tr>
<td>Mining &amp; metals (23)</td>
<td>52%</td>
</tr>
<tr>
<td>Aggregate (159)</td>
<td>70%</td>
</tr>
</tbody>
</table>

Is the focus company's emissions intensity\(^2\) aligned with, or will it be aligned with, limiting global warming to below 2°C?

- 6% IEA Beyond 2°C Scenario
- 3% IEA 2°C Scenario
- 9% Aligned with Paris Agreement Nationally Determined Contributions
- 35% Not aligned
- 8% No disclosure
- 39% Not assessed

Source: TPI, August 2019

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1. TPI's carbon performance assessment is based on The Sectoral Decarbonisation Approach (SDA) created by the Science Based Targets Initiative (SBTI). TPI's assessment covers 97 of the 161 Climate Action 100+ companies: oil and gas, consumer goods, and industrials sectors are excluded (not assessed).

2. Measures of emissions intensity reflect GHG emissions relative to the intensity of industrial production, e.g. grams of CO\(_2\) released per unit of energy produced.
3. How Companies are Performing on Climate Disclosure

Percentage of companies that have set, or committed to set a SBT

- Consumer products (14): 57% Approved, 7% Set or committed
- Industrials (26): 12% Approved, 10% Set or committed
- Transportation (26): 4% Approved, 27% Set or committed
- Utilities & power producers (32): 9% Approved, 9% Set or committed
- Oil & gas (40): 3% Approved, 9% Set or committed
- Mining & metals (23): 0% Approved, 9% Set or committed
- Aggregate (161): 10% Approved, 10% Set or committed

Source: SBTi, July 2019

1 Science Based Targets may not cover all material emissions of a company. For example, consumer goods SBTs may not cover scope 3 emissions, the key emissions of that particular sector. For more information on data methodology, please refer to page 75 of the report.

Percentage of companies that undertake and disclose climate scenario analysis

- Utilities & power producers (31): 55%
- Mining & metals (23): 43%
- Oil & gas (39): 38%
- Transportation (26): 35%
- Industrials (26): 31%
- Consumer products (14): 29%
- Aggregate (159): 40%

Source: TPI, August 2019

Percentage of companies responding to CDP by sector, 2018

- Consumer products (14): 100%
- Transportation (26): 88%
- Utilities & power producers (32): 81%
- Industrials (26): 77%
- Oil & gas (40): 63%
- Mining & metals (23): 57%
- Aggregate (161): 75%

Source: CDP, August 2019
PUBLIC COMMITMENTS

Royal Dutch Shell, one of the world’s oil and gas supermajors, released a joint statement committing to a range of industry leading climate commitments, including emissions reduction targets that include scope 3 emissions.

Maersk, the world’s biggest shipping company, committed to net zero emissions by 2050.

PTT Public Company Limited (Thailand) has released a TCFD aligned report, indicating the company’s intention to align its strategy with the goals of the Paris Agreement.

Duke Energy Corporation announced an update to its carbon transition plan, with a 50% reduction in GHG emissions by 2030 and net zero emissions generation by 2050.

PetroChina developed a climate change strategy and signalled the company’s intention to align its climate policy to the goals of the Paris Agreement.

Volkswagen committed to become ‘climate neutral’ by 2050 and launch nearly 70 electric vehicle models by 2028.

HeidelbergCement committed to achieve net zero emissions by 2050.

Glencore, the world’s largest exporter of thermal coal, agreed to cap coal production to current levels of about 145 million tonnes per year.

Rio Tinto has exited from mining coal, published a TCFD report, and committed to an asset by asset review to set emissions reduction targets.

AES Corporation has conducted scenario analysis against three transition pathways, and committed to a 70% reduction in carbon intensity by 2030.

Nestlé committed to net zero emissions by 2050, including scope 3 emissions.
MEASURING COMPANY PROGRESS

AVAILABLE FOR CA100+ SIGNATORS ONLY

GOAL 1: GOVERNANCE

1A: Governance
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 21 Aug 2018

1B: Lobbying - practice and governance
Data source: InfluenceMap
Click here for further details
Update date: 14 Mar 2019

GOAL 2: EMISSIONS

2A: Emissions - setting targets
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 21 Aug 2018

2B: Emissions - alignment with the Paris Agreement
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 12 Jul 2018

GOAL 3: DISCLOSURE

3A: Disclosure
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 21 Aug 2018

3B: Lobbying - disclosure
Data source: InfluenceMap
Click here for further details
Update date: 14 Mar 2019

INVESTING INITIATIVE

Data based on analysis of company's disclosure and other sources

1B: Efforts - carbon footprint
Data source: Carbon Tracker Initiative
Click here for further details
Update date: 11 Mar 2019

2B: Efforts - additional efforts
Data source: Carbon Tracker Initiative
Click here for further details
Update date: 11 Mar 2019

3B: Efforts - additional disclosure
Data source: Carbon Tracker Initiative
Click here for further details
Update date: 11 Mar 2019

INFLUENCE MAP

Data based on analysis of company's disclosure and other sources

2B: Efforts - additional efforts
Data source: InfluenceMap
Click here for further details
Update date: 11 Mar 2019

3B: Efforts - additional disclosure
Data source: InfluenceMap
Click here for further details
Update date: 11 Mar 2019

Transition Pathway Initiative

Data based on analysis of company's disclosure and other sources

1B: Efforts - carbon footprint
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 11 Mar 2019

2B: Efforts - additional efforts
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 11 Mar 2019

3B: Efforts - additional disclosure
Data source: Transition Pathway Initiative (TPI)
Click here for further details
Update date: 11 Mar 2019
THE CHALLENGE AHEAD IS CLEAR

ENGAGEMENT PRIORITIES

1. **LOBBYING REFORM** - Disclosure commitments and clear support for climate policy.
2. **EMISSIONS TARGETS TOWARDS NET ZERO BY 2050** – while ensuring a just transition for workers.
3. **IMPLEMENTATION OF TCFD** - TCFD aligned reporting including climate scenario analyses.

SUPPORTING INVESTORS

**RECRUITING NEW INVESTOR SIGNATORIES** – particularly in Asia, Africa and Latin America.

MEASURING AND COMMUNICATING PROGRESS

**WORKING WITH PARTNERS TO MEASURE IMPACT** – development of benchmarking framework to measure company progress while also reflecting differences in sectoral and regional expectations.
Asia Investor Group on Climate Change (AIGCC) is an initiative to create awareness among Asia’s asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practices and to collaborate on investment activity, credit analysis, risk management, engagement, and policy. AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy. AIGCC coordinates Climate Action 100+ in Asia, collaborating with the PRI offices in Beijing and Tokyo.

Ceres is a sustainability non-profit organisation working with the most influential investors and companies in North America to build leadership and drive solutions throughout the economy. Through powerful networks and advocacy, Ceres tackles the world’s biggest sustainability challenges, including climate change, water scarcity and pollution, and human rights abuses. The Ceres Investor Network on Climate Risk and Sustainability comprises more than 170 institutional investors, collectively managing more than $26 trillion in assets, advancing leading investment practices, corporate engagement strategies and policy solutions to build an equitable, sustainable global economy and planet. Ceres coordinates Climate Action 100+ in Canada and the United States.

The Investor Group on Climate Change (IGCC) is a collaboration of Australian and New Zealand investors focusing on the impact that climate change has on the financial value of investments. The IGCC represents institutional investors, with total funds under management of over $2 trillion, and others in the investment community interested in the impact of climate change on investments. IGCC collaborate with similar investor organisations on climate change worldwide through the Global Investor Coalition on Climate Change, Climate Action 100+ and the Investor Agenda. IGCC coordinates Climate Action 100+ engagement in Australia and New Zealand.

The Institutional Investors Group on Climate Change (IIGCC) is the European membership body for investor collaboration on climate change and the voice of investors taking action for a prosperous, low carbon future. IIGCC has more than 170 members, mainly pension funds and asset managers, across 13 countries, with over €2.5 trillion in assets under management. IIGCC’s mission is to mobilise capital for the low carbon transition by working with business, policymakers and fellow investors. IIGCC works to support and help define the public policies, investment practices and corporate behaviours that address the long-term risks and opportunities associated with climate change. Members consider it a fiduciary duty to ensure stranded asset risk or other losses from climate change are minimised and that opportunities presented by the transition to a low carbon economy – such as renewable energy, new technologies and energy efficiency – are maximised. IIGCC coordinates Climate Action 100+ in Europe.