

10 September 2024

Dear [company chair]

Climate action transition plan vote

As investors¹ with over £1.6 trillion AUM, we are writing to you as a FTSE 100 company regarding your intention to put a climate transition plan resolution on your 2025 AGM agenda.

Over recent years LAPFF, CCLA and other investors, have written to the chairs of UK listed companies (excluding investment trusts) asking boards to provide shareholders with the opportunity to vote on their climate strategy, including their transition plans. While we have received positive responses from other companies, our research suggests that over the past three years, you have not provided shareholders with such an opportunity. We are therefore writing to you as a large issuer to encourage what is fast becoming good practice. We note that to date around a fifth of FTSE 100 companies (excluding investment trusts) have already provided their shareholders the opportunity to approve their climate plans.

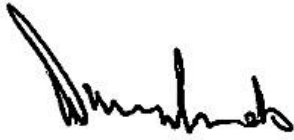
Given the climate risks investors and other stakeholders face, we expect companies to set out credible transition plans, that include Paris-aligned targets and detailed strategies for achieving those goals. To enable shareholders to make informed investment and stewardship decisions, companies should outline their climate strategies within these transition plans and include material climate-related impacts in their financial statements.

Specific transition plan votes enable shareholders to signal support for these decarbonisation strategies and any associated capital expenditure requirements. By having such a vote, shareholders can initially indicate their confidence in the transition plan through a dedicated resolution rather than it being directed to one of a variety of other resolutions on the ballot. Emerging industry guidance, including from the Transition Plan Taskforce, recommends companies produce or update their climate strategies every three years. In line with these recommendations, we expect companies to provide their investors a vote on their plans at least every three years.

We look forward to hearing from you about your intention to provide your shareholders with an opportunity to support your climate plan by way of a specific AGM resolution. To make an informed assessment of your position, we would welcome clarification by 11 October as to whether you have plans to submit your transition plan to a shareholder vote, and if so, in which year that is likely to occur. If you do not plan to do so, it would be helpful to understand the reasons, especially given that your peers are taking this step

¹ The term investors includes both investors and investor representatives.

Yours sincerely



Cllr Doug McMurdo
Chair, Local Authority Pension Fund Forum



Peter Hugh Smith
Chief Executive, CCLA Investment Management

Achmea

Achmea Investment Management

Brunel Pension Partnership

BVK

Castlefield

Charles Stanley

Church Commissioners for England

Clear Skies Investment Management

Crédit Mutuel Asset Management

Dorval AM

Downing LLP

Ecofi Investissements

Ethos Engagement Pool International

Ethos Engagement Services Clients

Ethos Foundation

French SIF

Future Group

Greenbank

Groupama Asset Management

Inyova AG

Jesuits in Britain

LBP AM

LGPS Central

Lightman Investment Management Limited

Lothian Pension Fund

MAIF

NFU Mutual

Nordea Asset Management

P+, Pension Fund for Academics

Paradigm Norton Financial Planning

Préfon

Premier Miton

Robeco

Sarasin & Partners LLP

Superannuation Arrangements of the University of London (SAUL)

TAM Asset Management

Trusteam

Velliv

Vita Collective Foundation