

# PRI WELCOMES INVESTOR ENGAGEMENT INITIATIVE, CLIMATE ACTION 100+

---

London 12 December 2017. A rise in emissions for the first time in three years shows that investors must do more to engage companies on climate change in order to meet the goals of the Paris Agreement, says Fiona Reynolds, managing director of the Principles for Responsible Investment (PRI), the global network of investors who believe that looking at environmental, social and governance (ESG) issues is key to ensuring a sustainable financial system.

The PRI is one of five investor groups who have coordinated and developed Climate Action 100+, a new five-year initiative focused on getting investors to engage with the world's largest corporate greenhouse gas emitters to curb emissions, strengthen climate-related financial disclosures and improve governance on climate change.

Specifically, investors will request that companies reduce emissions consistent with the goal of the Paris Agreement, to keep global temperature rise well-below and align their disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

“We welcome this initiative as a way for investors to step up efforts to ensure their portfolios are adapting to a low carbon transition, which is essential for protecting the returns of millions of beneficiaries,” notes Reynolds. “This includes engaging with the companies in which they are invested on how they plan to adapt to a changing low carbon world.”

The PRI has developed a set of indicators within its Reporting Framework to assist signatories wishing to report on the TCFD recommendations. The climate-related disclosure indicators will be introduced as a pilot in the 2018 PRI reporting cycle. These indicators will be voluntary to report and voluntary to disclose publicly.

“The TCFD recommendations have helped to establish a valuable framework for investors to understand how the companies in their portfolios are transitioning to a two degrees world,” Reynolds explains. “In the past, investors have not had access to this data so the report is a real game-changer for them in terms of being able to more efficiently manage the risks in their portfolios.”

A report produced earlier this year by the PRI and Carbon Tracker—Two Degrees of Separation—was the first report to rank 69 of the biggest oil and gas industry companies according to the extent of their exposure to the low-carbon transition. It found that across the oil and gas industry \$2.3 trillion of upstream projects – roughly a third of business as usual projects to 2025 – are inconsistent with global commitments to limit climate change to a maximum 2°C and rapid advances in clean technologies.

“Our signatory base has told us that the material risks around climate change is their number one concern; yet, within the investment community, whilst there are some outstanding leaders in the field, others are yet to take decisive action,” says Reynolds. The PRI identified climate change as a core component of its Blueprint for the next decade, which was released earlier this year.

Ends

### **About the Principles for Responsible Investment (PRI)**

The PRI is the world’s leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate, and ultimately of the environment and society as a whole. Visit the PRI website for more details: [www.unpri.org](http://www.unpri.org).