

## **Responsible Investment report March 2025 Pension Committee**

### **Top 10 emitters**

Brunel are now supplying us with a report identifying the top 10 greenhouse gas emitters in our equity portfolios. The table below provides a snapshot of the companies that are responsible for the greatest volume of emissions (Scope 1 & 2).

The report also includes details of the engagement activity that is taking place with these companies. Given the extremely sensitive nature of those engagements and the fact that this section of the report includes market-sensitive information this engagement information can only be discussed in a closed session of the Pension Committee meeting. The engagement data in the report also needs to be treated as confidential, which is why it hasn't been included in the papers for this meeting.

If the Committee feel that the engagement being undertaken with the top 10 emitters is something that should be discussed at a Pension Committee meeting then a closed session can be added to a future agenda and the full report can be discussed.

#### *Top 10 emitters:*

<b>Company Name</b>	<b>Subindustry</b>	<b>Scope 1 + Scope 2 (tCO2e)</b>	<b>Scope 1 + Scope 2 (%)</b>	<b>Value of Holding</b>
Waste Management, Inc.	Environmental & Facilities Services	5026.02	6.75%	£14,482,040.03
Shell plc	Integrated Oil & Gas	4589.33	6.17%	£19,028,259.05
WestRock Company	Paper & Plastic Packaging Products	3889.94	5.23%	£2,900,736.71
Glencore plc	Diversified Metals & Mining	3573.97	4.80%	£9,841,530.27
Mondi plc	Paper Products	2846.31	3.82%	£2,222,345.95
NextEra Energy, Inc.	Electric Utilities	2566.17	3.45%	£11,565,014.77
L'Air Liquide S.A.	Industrial Gases	2487.80	3.34%	£6,080,254.41
BP p.l.c.	Integrated Oil & Gas	2448.10	3.29%	£9,309,647.04
Delta Air Lines, Inc.	Passenger Airlines	2335.90	3.14%	£3,229,434.77
CRH plc	Construction Materials	1914.22	2.57%	£3,171,234.35

*Please note that the data in the table is as at 06-2024. There may have been some changes to portfolio composition since then.*

It is worth noting that these 10 companies represent nearly 40% of the Scope 1 & 2 emissions from the fund's equity portfolios, demonstrating that there is a significant concentration of risk.

However, despite their comparatively high emissions, some of these companies are integral to the energy transition. Waste Management Inc is responsible for a wide range of recycling activities at its waste management plants, as well as gas capture

for energy production. Next Era Energy has made significant progress in moving away from fossil fuels, with less than 50% of its energy production coming from hydrocarbons. The company has an ambitious programme of bringing more renewable sources of energy online, targeting a full phase out of fossil fuels by 2045. This shows that there is nuance to this data, rather than it just being a case of high emissions meaning the company is performing badly.

## LAPFF engagements

The Local Authority Pension Fund Forum (LAPFF) works on behalf of its LGPS members to engage directly with company chairs and boards to affect change at investee companies.

Each month a [quarterly engagement report](#) is produced by LAPFF which highlights the key engagements undertaken and also lists out all other engagements in the quarter.

The table below outlines which companies from the LAPFF engagements are also held within the Oxfordshire equity portfolios (both active and passive) and what engagement activity has been carried out over the last 12 months by Brunel in relation to the issue that LAPFF have engaged on.

Company	Portfolio*	LAPFF Issue	LAPFF Status	Brunel Voting on this issue in last 12 months?	Other Brunel engagement
BOOKING HOLDINGS INC.	GHA; Passive	Human Rights	Dialogue	No	Brunel is engaging closely with companies that operate in the Occupied Territories
BP	UKA	Energy Transition	Dialogue	No	Dialogue
CHIPOTLE MEXICAN GRILL INC	Passive	Environmental Risk	Small Improvement	A vote against management was applied in June 2024 as the company is deemed to not meet minimum standards with regard to LGIM's	

				deforestation policy.	
DRAX GROUP PLC	UKA	Environmental Risk	Dialogue	No	
GENERAL MOTORS COMPANY	GHA	Human Rights	Small Improvement	Voted against management to support a shareholder resolution that would have required the company to report on sustainability risks	
INTERCONTINENTAL HOTELS GROUP PLC	GHS; GSE	Employment Standards	Dialogue	No	
MERCEDES-BENZ GROUP AG	GHA; Passive	Human Rights	Moderate Improvement	No	
MERCK & CO. INC.	Passive	Environmental Risk	Change in Process	Voted against company over its use of private jets.	
MITSUBISHI UFJ FINANCIAL GRP	Passive	Climate Change	Moderate Improvement	Voted in favour of a shareholder resolution seeking to ensure the management of climate-related business risk and opportunities is embedded in the Company's core management strategy. Voted in favour of a shareholder resolution seeking greater transparency on the pricing of climate risk in client transactions.	
MIZUHO FINANCIAL GROUP INC	Passive	Climate Change	Moderate Improvement	Voted in favour of a shareholder resolution seeking to ensure the management of climate-related business risk and opportunities is embedded in the Company's core	

				management strategy. Voted in favour of a shareholder resolution seeking greater transparency on the pricing of climate risk in client transactions.	
MOTOROLA SOLUTIONS INC.	Passive	Human Rights	Dialogue	No	Brunel is engaging closely with companies that operate in the Occupied Territories
NATIONAL GRID PLC	GSE; Passive	Environmental Risk	Change in Process	No	
NOVO NORDISK A/S	GHA; GSE; Passive	Environmental Risk	Change in Process	No	
PERSIMMON PLC	UKA; Passive	Audit Practices	Moderate Improvement	No	
SHELL	GHA; UK	Energy Transition	Dialogue	Voted against board at last AGM	
SUMITOMO MITSUI FINANCIAL GROUP	GHA; Passive	Climate Change	Dialogue	Voted in favour of a resolution Disclosing information on how climate-related risks and opportunities are factored in the selection of outside directors and the board evaluation as this would be of value to SMBC shareholders given the climate risk and other environmental impacts of the company's current strategy. Supporting this resolution would direct the company to continue enhancing its disclosure and fossil fuel financing policy in line with the investor's expectations	
ZOETIS INC.	GHA; GSE; Passive	Environmental Risk	Dialogue	No	

\*GHA = Global High Alpha  
GSE = Global Sustainable Equities

UKA = UK Active