

Investors write to 100 oil and gas companies urging them to put people at the heart of decarbonisation plans

- Two investors representing a combined £243.3 billion in AUM sent a letter to 100 of the world's most influential oil and gas companies urging them to take the crucial first steps needed to ensure that the rights of their workers and surrounding communities are protected and included in their low-carbon transition plans.
- The letter follows an assessment conducted by the World Benchmarking Alliance (WBA) last year that shows that 98 out of these 100 companies are failing to identify, prepare for and mitigate the social impacts of their low-carbon strategies.

London, 12 May 2022 – Today, global investment management firms Ninety One and Newton IM joined the World Benchmarking Alliance (WBA) in sending a letter to 100 of the world's most influential oil and gas companies, urging them to consider and plan for the needs of its employees and the communities who will be impacted by an industry-wide transition to a low-carbon economy.

The letter is the first action by members of a multi-stakeholder coalition ('Collective Impact Coalition') recently launched and facilitated by the World Benchmarking Alliance to tackle the systemic lack of action by oil and gas companies to identify, prepare for and mitigate the social impacts of their low-carbon strategies. The Coalition seeks to act as an accountability mechanism to monitor performance in this area in the coming years. Today's investor letter begins a series of coordinated actions across stakeholder groups to incentivise positive change.

WBA's Coalition is formed by a diverse group of stakeholders, such as PRI, Ceres, the Council for Inclusive Capitalism, the International Labour Organisation (ILO), International Trade Union Confederation (ITUC), BSR, B Team, Grantham Research Institute, Institute for Human Rights & Business (IHRB), Africa Investor Group, and the International Institute for Environment and Development (IIED).

The 100 oil and gas companies receiving a letter today were assessed by the World Benchmarking Alliance (WBA) in November 2021 along with 80 other keystone companies from other high-emitting sectors. WBA found that all but two of the 100 oil and gas companies are failing to take the crucial first steps needed to ensure that workers and communities are not left behind in any plans to shift from extracting fossil fuels to new business models, including the production of renewable energy.

It is imperative that these companies engage in social dialogue with workers, unions, local authorities and other stakeholders to understand the impact decarbonisation will have on the estimated 11 million workers set to lose their jobs, and the communities that have become reliant on the oil and gas industry, as well as to develop and implement plans with robust and measurable targets to ensure that their fundamental rights are respected.

Vicky Sins, Decarbonisation and Energy Transformation Lead at the World Benchmarking Alliance,

said: *“Planning for a transition that is just for the people and communities who will be affected is not only the right thing to do – it’s the best way of getting to where we need to go. Companies must start now. And these plans will only be robust if companies co-create them with their employees, whether that’s via employee representatives or otherwise. You can’t mitigate the impact your changes will have on people if you don’t know what they are, and you can’t know what they are if you’re not talking to them.”*

Therese Niklasson, Head of Sustainable Investment at Newton Investment Management: *“The power of achieving “net zero” is that it sets both a destination and a deadline. To reach it, there must be accountability and measurement by companies to take the first steps to ensure workers and surrounding communities are a key part of their low-carbon transition plans.”*

Nazmeera Moola, Chief Sustainability Officer, Ninety One: *“Net zero offers both a threat and opportunity to high carbon intensity markets and industries. Neither oil nor gas will support long-term growth. Instead, the abundance of renewable resources offer the opportunity, most especially for the emerging markets, to build affordable power and build new industries like green hydrogen, which could underpin both GDP growth and job growth in these countries. However, to achieve this, the needs of the affected workers and communities need to be taken into account.”*

The Coalition will continue to engage with the 100 companies throughout 2022 ahead of the publication of WBA’s 2023 Oil and Gas Benchmark, with hopes to see progress on the critical first steps in a just transition, gathering best practice examples from companies and insights with other companies, investors and Coalition members.

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About WBA:

The World Benchmarking Alliance (WBA) is a non-profit organisation that assesses and ranks the world’s most influential companies’ performance on the United Nations Sustainable Development Goals (SDGs). It publishes publicly available and free benchmarks that inform and empower business leaders and investors, as well as governments, civil society and other key stakeholders to act as an accountability mechanism for companies to become successful drivers of change and deliver on the SDGs. Together with its Allies it is building a movement that enables transparent dialogue, and ultimately action towards a more inclusive, fair and sustainable world. www.worldbenchmarkingalliance.org

Learn more about WBA’s Just Transition assessments [here](#)

About Ninety One

Ninety One is an independent, active global investment manager dedicated to delivering compelling outcomes for its clients, managing £143.9 billion in assets (as at 31.03.22). Established in South Africa in 1991, as Investec Asset Management, the firm started offering domestic investments in an emerging market. In 2020, almost three decades of organic growth later, the firm demerged from Investec Group and became Ninety One. Today the firm offers distinctive

active strategies across equities, fixed income, multi-asset and alternatives to institutions, advisors and individual investors around the world.

For more information, please visit: www.ninetyone.com

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