

## *RCB CLIMATE CHANGE POLICY 2021.*

As Christians and responsible investors, the RCB on behalf of the Church of Ireland seeks to mitigate and lower the Climate Change impact within its investment portfolios and has taken several steps in this regard over the past number of years including collaborative engagement, investments in renewable energy (wind, solar and forestry), the implementation of restrictions for investments in coal mining and tar sands (most carbon intensive) and several disposals/divestments.

Given the importance of Climate Change, Fund managers will incorporate these risks, where material, into their investment decision making and analysis alongside other financial and Environmental, Social and Governance (ESG) factors with particular regard to their impact on shareholder returns. The Investment Committee will continue to monitor and review companies that appear not to be aligned with the long-term transition to a low-carbon economy and engage and/or divest as considered appropriate.

The RCB supports shareholder engagement in the area of environmental sustainability – it does this through its membership of the Church Investors Group (CIG) and the Institutional Investors Group on Climate Change (IIGCC), who provide investors with a collaborative platform for engagement with public policy makers and exchange of expertise on Climate Change issues. Engagement and shareholder resolutions have been undertaken with a number of companies to achieve increased transparency and reduced CO2 emissions.

The Investment Committee believes that all church investors face a financial and moral responsibility to take significant steps to address climate change. It has divested from companies involved in the extraction of thermal coal and tar sands as these companies are unlikely to be able to align with a future that limits temperature rises to a level that is well below 2 degrees Celsius above pre-industrial levels. It has also sought to increase exposure to renewable energy assets where the risk/return profile is attractive. Following a recent review of the remaining energy exposure the Committee has agreed to implement additional restrictions for fossil fuel companies involved in the extraction of oil and gas (identified by exposure to Reserves), and has set a target to be fully divested from such stocks by 2022.

The RCB joined the Climate Action 100+ initiative at the end of November 2017 as a founding signatory and supporter. The Climate Action 100+ is an investor initiative to engage with world's largest corporate Greenhouse Gas emitters (across various industries and sectors) to curb emissions, strengthen climate disclosures and improve climate governance.

The RCB's investment portfolio is only an element of the wider issue of Climate Change as the Carbon footprint of the Church as a whole should be considered. Each Diocese is encouraged by the RCB to reflect on how it may contribute to a more 'Climate Friendly' community within the Church of Ireland and suggested actions are available on the website at [www.ireland.anglican.org/parish-resources/509/how-green-is-your-church](http://www.ireland.anglican.org/parish-resources/509/how-green-is-your-church) to support parishes and/or Dioceses who wish to become more engaged with environmental issues including Climate Change and Biodiversity.

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