

TACKLING NET ZERO IN THE REAL WORLD HEAD ON



MARCH 2024

For institutional, professional and wholesale investors only

Australia and Australian companies are not short of ambition, skill or technology, but in order to improve the pace of energy transition pipeline fulfilment, we need to think differently about how to get capital flowing in time to meet our Net Zero targets.

This year's Lonsec Symposium brings together investors, sustainability experts, and leading ASX-listed companies who are at different stages in their energy transition and emissions reduction pathway, to discuss how to drive positive change in this area.

Martin Currie Australia (MCA)



Will Baylis

Portfolio Manager,
Sustainable Equity

From the identification of material and relevant issues, engagement with investee companies, to voting client's proxies; Active Ownership forms an important and integrated part of all investment decisions made for all MCA equity strategies.

MCA have directly embedded Sustainability inputs and assessments into the investment process since 2009, when MCA became an early signatory to the Principles for Responsible Investment (PRI).

MCA are strong believers that all Active Ownership activities should be undertaken directly by those making investment decisions rather than being outsourced. They believe that analysts and portfolio managers are the best positioned to develop an informed view of the ESG risks, opportunities and impacts that companies face or create.

As such, Active Investors like MCA can play a key role in the shape and speed of the Net Zero transition. Using their deep relationships with investee companies, they can hold them to account on Net Zero, challenge towards real change & better capital allocation decisions, while helping to fund the companies who are moving in the right direction. This is something that is not achievable by passive investors and managers who outsource engagement and proxy voting to third party advisors.

MCA also focus on sharing their knowledge to help clients navigate the future ESG landscape. This includes data, risk analytics, thought leadership, client round tables, bespoke client training and reporting.

Recently MCA ran a Net Zero focused event as part of their Pathway to 2030 series, bringing together companies and clients. A write up of the outcomes from the event is available [here](#).

Learn more about MCA, its Net Zero activities and Sustainability focussed strategies [here](#).

CSIRO



Warren Flentje

Industrial Decarbonisation Lead,
Towards Net Zero Mission

The transition to net zero will require change in most sectors of the economy, but it will also present new opportunities which Australia is well placed to grasp.

Processes involved in stationary energy production, fuel use, and passenger transport accounted for 80% of Australia's accountable emissions in 2020. However, a national net zero target also needs us to address all emission sources, and this last 20% involves sectors such as steel and agriculture that make critical economic contributions to Australia's prosperity and help shape the fabric and vibrancy of regional Australia.

The Towards Net Zero mission is building Australia's national capability to support the transition to net zero emissions by enabling Australia to prosper and grow in a global low emissions world through new economic, societal and environmental value. Realising this critical global transition requires new collaborative science and technology.

The mission aims to bring together research, industry, government, and communities to help Australia's hardest to abate sectors - including steel, sustainable aviation fuel, and agriculture - and provide the tools needed to halve their emissions by 2035 and realise the opportunities of a low carbon economy.

Success depends on strong collaboration across industry, research, communities, and governments to build the national skills and readiness to transition to a low emissions future. Learn more about CSIRO's Towards Net Zero mission [here](#).

AGL Energy



Damien Nicks
Managing Director & CEO

AGL Energy is a large energy generator and retailer, with a clear commitment to the energy transition to renewable energy.

AGL holds a prominent position as the operator of Australia's largest electricity generation portfolio, accounting for approximately 20% of the total generation within the National Electricity Market. AGL also operate the largest portfolio of renewable generation and storage assets of any ASX-listed company.

In 2022, AGL released its inaugural Climate Transition Action Plan (CTAP). This documents AGL's target to exit coal generation by the end of FY35 and outlines emission reduction targets and ambitions to invest in new renewable and firming capacity. It also documents our commitments to continue to advocate for a responsible transition that balances energy reliability and affordability with the need to decarbonise, and to working with and supporting our people and communities through a responsible and orderly transition.

AGL has committed to working constructively with stakeholders, including the communities in which we operate, our people, our customers, government and regulators. As we plan the retirement of our large thermal sites, we are working closely with local business, industry, government and educational institutions to identify new investment prospects and encourage economic diversification.

AGL is committed to repurposing its thermal generation sites into energy hubs. The Hunter Valley, Torrens Island and Latrobe Valley hubs seek to bring together energy production and energy-intensive industries around a shared infrastructure backbone, with a focus on circular economy principles, including innovative re-use of valuable infrastructure, recycling and co-location of complementary industries.

Learn more about AGL's activities [here](#).

Ventia Services



David Moffat
Chairman

Ventia Services specialises in the long-term operation, maintenance and management of critical infrastructure both public and privately owned. They continue to build a presence and expertise across Australia and New Zealand's burgeoning renewables industry. They are focused on providing end-to-end solutions to the changing energy industry landscape through innovation and leadership.

Ventia has the ambition of reaching net zero Scope 1, 2 and 3 emissions across the value chain by 2050, with shorter term targets to reduce absolute scope 1 and 2 emissions by 42% by 2030. Importantly, Ventia will not rely on offsetting to achieve their goals.

Emissions resulting from the goods and services procurement represent the largest component of Ventia's footprint and the greatest opportunity and challenge to minimise environmental impact.

In 2023 Ventia developed a comprehensive emissions inventory and expanded data to capture Scope 3 emissions. They are also transitioning their fleet and plant and equipment to hybrid or electric, moving to renewable energy across our sites and partnering with our suppliers to reduce their emissions, recognising that their responsibility extends across directly controlled emissions and value chain.

Ventia have committed to achieving net-zero emissions with the Science Based Targets initiative (SBTi), which is designed to drive ambitious action by the private sector and provides a global framework for companies to set targets and evidence progress. In 2023 they set and submitted our emissions reduction and net-zero targets to SBTi for validation.

Learn more about Ventia's activities [here](#).

Important information

This publication is issued for information purposes only and does not constitute investment or financial product advice. It expresses no views as to the suitability of the services or other matters described in this document as to the individual circumstances, objectives, financial situation, or needs of any recipient. You should assess whether the information is appropriate for you and consider obtaining independent taxation, legal, financial or other professional advice before making an investment decision.

Issued by Franklin Templeton Australia Limited (ABN 76 004 835 849, AFSL 240827).

© Copyright Franklin Templeton Australia Limited. You may only reproduce, circulate and use this document (or any part of it) with the consent of Franklin Templeton Australia Limited.