

The Church of England Pensions Board and other investors have today launched a standard which can be used across the oil and gas sector to standardise net zero transition plans.

Net zero standard sets minimum expectation for what must be included in net zero transition plans from oil and gas companies, to create a level playing field in corporate reporting and meet investor expectations for credible and comparable company net zero transition plans.

- Publication of the standard comes following a series of high level dialogues between leading investors and major oil and gas companies, convened under the Institutional Investors Group on Climate Change (IIGCC) and informed by the Transition Pathway Initiative (TPI).
- The standard stresses need for comprehensive absolute and intensity emissions reduction targets, which cover all material emissions, as well as alignment of capital expenditure and production plans with a net zero target. It acknowledges ‘winding-down’ as a legitimate strategy, as well as diversifying energy offerings or working through a company’s value chain to re-shape demand.
- In a major step, the standard will now be piloted with a core group of leading oil and gas companies, including BP, Eni, Repsol, Shell and Total to trial implementation and prepare for wider adoption across the sector, and consider integration into TPI and Climate Action 100+ analysis.

Adam Matthews, Chair of the Investor-Company process to develop the Standard and Chief Responsible Investment Officer, Church of England Pensions Board, commented:

“In order for investors to play their role, we need to be able to meaningfully compare different company strategies whilst recognising that there is no one size fits all approach. Assessing the credibility and adequacy of company transition plans is a technically complex task.

“Our aim in developing this Oil and Gas Sector Net Zero Standard is to allow us to do that. It will encourage the consistency of reporting that we need to make this comparison, and it also identifies the strategies that oil and gas companies may include in their net zero transition plans.

Ultimately, this is intended to create a level playing field in transition plan reporting so that we can understand, compare, contrast, and robustly perform our role as long term stewards of our assets.”

Read more on the IIGCC website, [here](#).

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