

The first annual analysis of major energy company transition plans to be released since COP26 has found that only 1 in 10 are ambitious enough to keep global warming to 1.5°C.

This energy sector report is the first to feature TPI's 1.5°C benchmark which assesses corporate targets against the IEA's pathway to keep to 1.5°C of warming.

TPI assessed 140 of the largest energy companies (76 electric utilities, 58 oil & gas, 6 diversified miners involved in coal mining) on 'Carbon Performance' finding that 10% were aligned with a pathway to keeping global warming to 1.5°C, and a further 24% were aligned with a 'Below 2°C' pathway.

Adam Matthews, Chair of Transition Pathway Initiative and Chief Responsible Investment Officer at Church of England Pensions Board said:

"The transition is underway within the energy sector and some companies, as shown by this latest TPI research, are moving out of first gear and accelerating their transition plans. Concerningly, for investors there remains significant distance between net zero rhetoric and net zero reality in the case of most fossil fuel majors. Electric utilities are the fastest changing sector with a significant degree of companies setting credible targets aligning to net zero.

"Part of the complexity of the transition is there are varied strategic options for companies seeking to achieve net zero. Investors have had to intervene with the support of insights from TPI to set a Net Zero Standard on disclosure in the oil and gas sector and are working to do the same in the mining sector. These Standards will be reflected in future TPI energy assessments. Investors need to engage the demand side with the same level of intensity that we do with the fossil fuel sector. Ultimately, if we reshape demand we reshape the energy providers."

Read the full press release from the Transition Pathway Initiative, [here](#).

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