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Media release

Fortescue, Cbus and Aurecon are the latest to join Australian industry initiative set up to tackle supply chain emissions

Mining company Fortescue Metals Group, industry superfund Cbus and professional services firm Aurecon are the most recent companies to sign on to the Australian Industry Energy Transitions Initiative.

The initiative is a collaborative effort for industry and business leaders to collectively learn, develop research and take actions that move broader industry sectors towards net zero emissions in supply chains by mid-century.

The Australian Industry ETI is unique in focusing on the opportunities for Australian industry in moving towards net zero emissions in hard-to-abate supply chains, and involves 14 company participants representing a spectrum of interests.

The initiative's chair Simon McKeon AO, Chancellor of Monash University, former CSIRO Chairman and former Australian of the Year, said the ability to attract diverse participation meant the initiative was well-positioned to support Australian industry to be successful in a decarbonised global economy.

'Recently, China, Japan and South Korea followed others in setting net zero emissions targets, and more announcements will inevitably follow,' Mr McKeon said. 'By coming together across supply chain systems, it allows us to better see the opportunities in Australia and globally.'

He said Australia had one of the most formidable clean energy resource bases and established expertise in exporting critical energy and material resources. 'Australia also has a sophisticated financial services sector, capable of deploying significant capital to finance a transition to net zero.'

'That this initiative continues to expand demonstrates the value of collective work to support Australian industry. Fortescue, Cbus and Aurecon will each make important contributions and it is encouraging to see more Australian businesses step in to this important work.'

Fortescue Chief Executive Officer Elizabeth Gaines said, 'Promoting a culture of ongoing collaboration is critical to ensuring Australia's business sector remains in a strong position to take the lead and tackle the challenges associated with climate change. Fortescue is pleased to join the Australian Industry Energy Transitions Initiative, which will assist in our pathway to decarbonising and achieve our ambitious, industry leading operational target to become net zero by 2040.'

Nicole Bradford, Cbus Head of Responsible Investment said, 'We need to deliver on long-term net returns for members while successfully transitioning our investments for a net zero emissions global economy. As universal owners we also need to support the companies we invest in and communities where our members live and work. We are now seeing a push from the financial regulators in Australia to move from commitments to actions, so collaborative efforts like the Australian Industry Energy Transitions Initiative are incredibly important.'

Aurecon Chief Executive Officer William Cox said working and thinking differently is what will help industry imagine what's possible in a decarbonised global economy. 'The technologies and innovations are within reach to decarbonise hard-to-abate sectors by 2050. We need to work together to explore and pilot all the options to better understand the pathways to achieving net zero emissions as the choices and transition will be different for every organisation.'

Australian Industry ETI has a specific focus on five supply chains that contribute more than one-quarter of Australia's annual greenhouse gas emissions and generate exports worth around \$160 billion.

These supply chains are in sectors where abatement has traditionally faced structural challenges, and include steel, aluminium, liquified natural gas, other metals (such as lithium, copper and nickel) and chemicals (including explosives and fertiliser).

Fortescue joins industry peers BHP, Woodside, BlueScope Steel, BP Australia, Orica, APA Group, Australian Gas Infrastructure Group and Wesfarmers Chemicals, Energy and Fertilisers, which were announced as participants in July. Together, these industry participants account for 15 per cent of Australia's industrial emissions.

Cbus and Aurecon – together with existing participants National Australia Bank, Schneider Electric and AustralianSuper – represent the larger system of investments, services, products and knowledge which are important in supporting industry action.

Independent, not-for-profit bodies ClimateWorks Australia and Climate-KIC Australia are conveners of the Australian Industry ETI, in collaboration with the London-based Energy Transitions Commission.

It has been developed with the generous support of philanthropic donations, company contributions and funding from the Australian Government, through the Australian Renewable Energy Agency. And is supported by the Australian Industry Group and the Australian Industry Greenhouse Network, with research partners including CSIRO and the Rocky Mountain Institute.

Other industry leaders are invited to join the project by contacting ClimateWorks Australia or Climate-KIC Australia. Updates will be available online at <https://energytransitionsinitiative.org/>

Media enquiries:

Kulja Coulston | 0405 767 256 | kulja.coulston@climateworksaustralia.org