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## **BHP shareholder resolution requests end to relationship with Minerals Council of Australia**

BHP shareholder Australasian Centre for Corporate Responsibility (ACCR) has filed a resolution urging the company to review its relationship with industry bodies like the Minerals Council of Australia (MCA) that take obstructive or misleading public policy positions on climate change and energy.

[View ASX announcement.](#)

The resolution, to be heard at BHP's Australian AGM in November also calls for the termination of paid membership of industry bodies that have demonstrated a pattern of advocacy on policy issues at odds with the company's positions over the period 2012 to the present day.

It also calls for disclosure of all payments by BHP for direct or indirect lobbying relating to climate and energy policy.

"Investors have brought the inconsistencies between BHP's own policy positions and business interests and the Minerals Council of Australia's advocacy on climate and energy policy to BHP's attention several times," said Brynn O'Brien, Executive Director of ACCR.

"While BHP is at pains to voice its support for policy measures aimed at limiting global warming to well below two degrees Celsius above pre-industrial levels, the MCA has demonstrated a pattern of vociferous and influential lobbying which has obstructed progress on policy in Australia towards achieving that goal.

"Over time these activities have the potential to undermine shareholder value, given BHP's exposure to both climate-related risk and domestic energy policy instability. From a strategic perspective, investors are well within their remit to question BHP's continued willingness to pay multi-million dollar annual membership fees to the MCA," said Ms O'Brien.

Resolution 2 highlights three key national policy areas of material relevance to BHP:

- carbon pricing: BHP has long supported the introduction of a carbon price, while the MCA has obstructed any policy mechanism that would achieve this goal;
- Finkel Review: In June 2017, the MCA sought to undermine adoption of the Finkel Review's recommendations on energy policy. These activities continue to diminish the federal

government's ability to resolve the national energy crisis. BHP, in contrast, was broadly supportive of the Finkel recommendations.

- New coal-fired power generation and fossil fuel subsidies: while BHP has stated its support for Australia meeting its Paris Agreement commitments, the MCA has advocated for policy measures inconsistent with this. The MCA spent almost \$2.5m promoting coal-fired power generation in the lead-up to the 2016 federal election.

[View the resolutions and supporting statements with references.](#)

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