



Take on Board

Transcript – Insights from the Take on Board Breakfast: A Deep Dive into ESG with Brynn O'Brien - Part 1

Helga Svendsen 0:08

Okay, I think we are ready to get started. Welcome everybody to this take on board events where Today we're going to be talking all things ESG environmental, social, and governance. Our guest today is the fabulous Bryn O'Brien who I will introduce properly in a moment. I would like to start by acknowledging the traditional owners of the land on which we variously meet. For me, that is the wurundjeri people of the Kulin nation as I'm in the inner north of Melbourne. But I know we have people from all sorts of different lands here, both Melbourne, Victoria, New South Wales and beyond, paying my respects to elder's past, present and emerging and any First Nations people we may have here today, Introduction time, this is Brynn. She's next to me on my part of the screen, you'll see her in a moment and hear her incredible wisdom in a moment. So Brynn is the executive director of the Australasian center for corporate responsibility (ACCR) they invest in and engaged with listed companies regarding their performance on ESG issues. So when Patricia wherever Patricia is shout out again to Patricia, when I spoke to her and she said, Can we have a podcast about ESG issues? These were the people that I came to so because I know that they can help us all pull apart ESG in the boardroom. So Bryn is with us today to unravel it all and demystify it all all in the next 15 or 20 minutes. How incredible is she? So I'm going to hand it over to brain know that we will have 15 to 20 minutes afterwards for questions. Okay. Brynn. Over to you.

Brynn O'Brien 1:52

Thank you so much Helga and Hello, everyone I'm joining you from what do you what do you country on the south coast of New South Wales and I to pay my respects to elder's past and present and acknowledge that this is unseeded land particularly important or what's important all the time. But important as we talk about ESG the rights of First Nations people are a really, really material ESG consideration on this continent. So I've got there Hello, and welcome introduction to ESG with extra see, because we're going to go really deep on climate today, we're not really deep, because you can't really go super deep on climate in 15 minutes, but that is the ESG issue that we are going to address in most depth. And also just shout out to everyone doing homeschooling. I am in awe of all of you. I am not homeschooling at the moment and watching my friends and family and colleagues do it superhuman effort, what a time to be alive. Okay, so this is just the structure of the presentation. We're gonna have heaps of time for q&a. But we're going to go through who is iccr a bit of an understanding because that will illuminate how we deal with ESG and how we deal with these kinds of issues and risks. What is ESG and so spoiler alert, and you will all know these environmental, social and governance considerations. And we'll go really into climate change boards and directors and

have a bit of a discussion about future trends. So this is really iccr. So as Helen you said iccr invest in and then use the powers of ownership to try to transform major listed equities. So we do company engagement, you'll see down the bottom that is the fundamental part of of ACCR. And our universe of companies really starts with large ASX listed equities. And recently we have been expanding into covering some major global stocks in the oil and gas sector. And just a shout out to Marina Lu and Sheila, who are part of our global team, we really set this conversation up there on the call today. If anyone's got super technical questions about climate risk and materiality then I will be throwing to you Marina and Schilling. So company engagement research and analysis large listed equities is the kind of fundamentals of ACC, the companies that we invest in the the likes of bhp, Rio Tinto, the island gas companies, the major retailers, the banks, you know, the iconic Australian companies. The ASX. It's an interesting index. As you'll all be aware, it's, it's dominated by there's a couple of duopolies we have quite concentrated sectors in on the on the ASX. So ACCR holds those major iconic companies. We then have really, I guess, a long term relationship with those companies. So I've been in this role for four and a half years now. And that means four and a half years of quarterly conversations with bhp executives. It means four and a half years of shareholder resolutions which is one of the formal powers that we use a shareholder As to escalate ESG issues and get them quite literally on the agenda of Ag ns, it means four and a half years of building, maintaining relationships, which is often a real challenge. When you're in, I guess quite sometimes quite an adversarial, it's quite an adversarial conversation around material ESG issues where, where companies aren't managing them very well. But at the top of that diagram, you'll see the areas that iccr covers. So the E, for us, our E is very see our environmental practices almost totally climate. I'll come back to that. But the reason that it's almost totally climate is that climate changes everything change, climate change, we are starting to understand or I guess, scientists have been telling us for a long time, but the broader public, and certainly, the corporate executive and board community is starting to understand climate change will affect every level of our society, every level of our economy, and the way that we live and do business. So we have a very quite large climate team. And we really look at how companies are managing, responding to and planning around climate risk. And I'll go into what that means in a moment. We've got our social impacts team, which covers human rights, gender, and racial discrimination, the rights of First Nations people, and of course, the rights of workers to safe and fair workplace and good conditions. And we have really well developed areas of work, particularly in the horticulture sector, and the commercial cleaning and property sector in that space. And then we have our governance team. So our governance is really as people in the board space, there are governance aspects of climate risk, there are governance aspects of social impacts risk, but then there are those pure governance aspects, you know, how is a board structured to manage these kinds of risks, our key stakeholders are in the middle of that. So institutional investors, ACCR spends a bunch of time talking to institutional investors about their management of ESG risks in their portfolio, as well as the steward their stewardship activities in relation to companies that they hold retail shareholders. So ACCR is I guess, a retail shareholder that behaves a bit like an institutional shareholder, and then interest groups. So trade unions, climate and environment, NGOs, First Nations groups, and so on. That is the iccr view of what iccr does. And I'm just going to go to the next slide, which is the bhp view of what ACCR does. Okay, so this is a slide from a bhp Annual Report, I'm not going to go into a heap of a heap of detail, but you'll see that a CCR and bhp think about the management of or understanding shareholder views on ESG risks in a relatively similar way. iccr again, sits somewhere between a we are a retail investor, but we behave like an institutional investor, we engage with the sell side, analysts and research providers are increasingly providing research ourselves, and those investor relation teams on the left, we also go and talk to the board and the

executives and the, I guess, the governance structures of major listed companies, and then feed into the work of proxy advisors, governance advisors, and rating agencies. So I'll leave that with you. But it is useful to see how major listed companies view this universe. So ESG integration is risk management fundamentally, that's what we're talking about. We're talking about risks that might not appear on the balance sheet now, but might well appear on the balance sheet at some point in the future. So this is not exhaustive at all this is this is just a taste of the kinds of issues that come up and that can become material and appear on a balance sheet. So how a corporation responds to climate change, of course, how corporations treats its workforce, how a corporation manages its supply chains, and seeks out information on the work conditions in its in its supply chains and human rights conditions in its supply chains. And of course, this all feeds into how corporations build trust and foster innovation. There are really serious consequences of getting ESG. Wrong. I alluded earlier in the conversation to First Nations right for the material ESG consideration. Everyone will be aware of the huge devastation caused by Rio Tinto in its destruction of the ancient significant chicken gorge caves early last year, and the kind of rolling crisis that that exposed the organization and senior leadership to over the last 18 months. So we're at a point now where two board members have resigned and five senior executives have have left the organization at least over that, including the CEO. Then on the right of that slide, very recently, a small hedge fund managed to defeat the opposition of excellence board into getting a set of three, climate aware directors ensconced in that board. So they won a boat to get three climate aware directors on to excellence board to do the very important job of transforming that company. So that aligns with a safe future. So really serious consequences of getting ESG wrong, I could give you 100 different examples. Another one that comes to mind just in you know, recent Australian corporate history is AMP, and their absolute mismanagement of the risks of sexual harassment in the workplace. So just jumping quickly to climate change in the physical science Look, I'm not going to go into a lot of detail here. I'm not a climate scientist. But I what I want you to know is that you don't need to be a climate scientist to understand to a sufficient level climate science and how serious climate change is for us at this moment. So I just put three charts into this slide deck, they're all from the recent IPCC Working Group report on the physical science of climate change. What that report finds is that it is now unequivocal, there is no debate that humans have caused significant global warming, we're at about 1.1 degrees of observed global warming now. And we are on track for much greater degrees of warming. And that most of that warming is not only caused by humans, but it is caused by the extraction and combustion of fossil fuels for energy. So these are the kind of you know, the basic charts around you can, you can just sort of see on the left side there between 18 and 50, you know, pre industrial age and 2020, commonly known as the the hockey stick graph, you can see that the temperature increasing very dramatically over a short period of time, and that then that little segment is pulled out on the right side. And you can really see the escalation or the increase in temperature just over the last 30 years. So at about 1.1. Now, the IPCC report sets out a number of different scenarios, five different scenarios, there's only one that roughly aligns with a safe planet. And the actions that we need to take, in order to be able to meet that scenario are very, very significant. These are the four scenarios not going to go into them in detail. But you know, they all relate to different levels of warming and different levels of greenhouse gas emissions. So the greenhouse gases, we're talking about, of course, carbon dioxide, non carbon dioxide, greenhouse gas emissions, so methane, and the NOx and Sox, as they're called, the other greenhouse gases, and then aerosols and land use as well. This is the the really important thing for us is that every fraction of a degree matters. Every tonne of carbon matters, with every increment of global warming changes get larger, original main temperature, precipitation and soil moisture, moisture. So you don't need to

be a climate scientist to have observed the changes in weather patterns, the changes in precipitation, the changes in the length and severity of fire seasons, and so on.

So what your directors know. And I'll really just kind of get to the surface of these major questions. And just to note, ACCR is not going anywhere. We, this is the stuff we live and breathe, we are so happy to talk to you at any time about these kinds of issues, because they're not straightforward, necessarily. Some of them are straightforward. I mean, yeah, there are some issues that we can address easily. And there are other issues, which we need to work through together. And things are developing very rapidly in this space. So directors should know that law and policy, there is a framework of law and policy that sits around climate change and the management of climate risk. So there's the Paris agreement, which is the international treaty, that sets out how states should act. There is Australia. And let me just say that, as you're, you know, probably preaching to the converted here, but Australia's response to climate change, particularly through policy is pathetic. We have a national vacuum of climate policy in Australia, we do not have a national policy suite that will reduce emissions at scale. And in fact, our targets under the Paris Agreement, there is a lot of pressure on Australia to increase them with no effect on the federal government at this moment in time. But there's also the law and policy of our trading partners and increasingly we're seeing our trading partners signal to us that they are going to start looking at what's called carbon border adjustment mechanism so carbon tariffs that will affect how the export markets that are industries can sell into their the views of regulators of APRA of the ASX and of ASIC. And you know, even of the Reserve Bank, which are all now very, very clear that climate risk is financial risks that climate change is real that directors need to be taking steps to to manage climate risk. There are directors duties issue, and that's where I'm going to go next. And then we'll have a quick discussion about what to ask. So directors duties, as you'll be aware that the kind of kick the key ones in the actor, section 180, subsection one in Section 181. So care and diligence in good faith in the best interests of the corporation. Then there is the line of legal opinions by Noel Hartley SC, who is very senior counsel in Australia, and has been working to make sense of what climate change means for directors duties in Australia since 2016. And so he's got this line of opinions 2016 2019 and most recently, 2021. And this is the real, the very crude top line summary of what those opinions set out. So climate risk is business risk and is foreseeable. It has directors duties and liability implications. That's the basic 2016 opinion, the 2019 opinion that these risks are exponentially increasing, and that they look like this. They look like regulatory action. If we have a change in government, we might get get lower, but actually requires law and policy that requires us to reduce emissions in emissions intensive industries, there is a very real threat of litigation which is becoming more material every day, and the risks of climate change itself. So there are significantly increased expectations of companies by their investors and stakeholders. 2021 is a really interesting opinion, company climate commitments must be made on a reasonable basis of evidence, and they must not be misleading or deceptive. So if we think about the statements made by oil and gas companies that they aim to get to a, you know, a zero carbon future, is that possible, those statements must be made on a reasonable basis of evidence. This is really the board climate change preparedness journey, not going to go into it in in great depth, but boards can go from aware to engage to compliant to proactive to best in class. I am going to skip over in a lot of detail the slide that we really have you know that the risks of climate change are the physical risks. So two assets, for example, extreme weather, flooding, how drought, heat stress and so on the transition risk those policy liability, the market risk, is there going to be a market for oil and gas in 30 years? Well, hopefully not like business transition risk. What all this feeds

into over on the right side is systems risk at three, four degrees of warming, the systems that underpin our market that underpin our economy that underpin our society will be under unimaginable stress. And that is really the problem of climate change that it is it is everything change. So boards need to do three things at at a minimum to address climate risk, a process for discussing climate risk, capability and credibility around that. And then ways of monitoring and evaluating and achieving success. So let us go to Q and A

Helga Svendsen 18:30

Fabulous, thank you bring so much to get us thinking there. The first question in our list, Karen Hawkins, about understanding you know about executive performance. Can I just call on you to ask Yeah, introduce yourself and ask your question.

Speaker 1 18:47

Thank thanks. I'm Karen Hawkins. I currently sit on the board of GNC mutual bank. And I'm open to offers from other boards in the financial sector getting in before the end of the q&a. Thanks so much, Brynn, for for that we in our group, we felt it was a bit of a gallop through and I'm sure that there's a whole lot of depth that, you know, we could get into. But one of the things I was interested in is I knew you mentioned that journey from you know, awareness engagement through to production. And one of the things we've been struggling with is thinking about how to translate or shift from being aware and engaged to actually having it as an integral part of our business strategy and plan including building those requirements into executive remuneration and executive performance, which seems to be a really clear and tangible way to focus attention and resources in organizations. So wondering whether you had any thoughts or any ideas or examples of how that's happened in our organizations?

Brynn O'Brien 19:51

Yeah, great question. Thank you. I am a big supporter of linking executive board remuneration with climate goals, or otherwise we'd be ish ESG goals. And some of those to an extent that's already commonplace. So Workplace Health and Safety is, of course, a well recognized component of REM packages in the climate space. In particular, I think it's quite well suited to linking to remuneration, because the setting and achievement of targets and measuring the achievement against those targets, that those things can be quite neatly lined up. However, across the companies that I deal with, remuneration is still in some cases going in the opposite way. So for example, the CEO of sanitizer major listed oil and gas company, Kevin Gallagher, was incentivized when he signed up for another few years earlier this year to stay with the company with a massive growth projects incentive. So he's rim is structured so that he continues to expand the company in a time when we must not be doing all of the science, all of the incredible economics says that we can't keep doing that. So I think remuneration and incentives are a really, really powerful tool, if used in the right way. And certainly I think there's a there's a kind of a dark art to structuring remuneration packages, and

there are plenty of advisers that can advise you on how to do it. I'm certainly not that expert. But I absolutely think it is very, very important, you know, incentives, incentives to drive outcomes.

Helga Svendsen 21:33

Fabulous. Thanks, Karen. Thanks, Brynn. Dominique, you're up next about conversations beyond mitigation. So can you introduce yourself and ask a question? Hi,

Speaker 2 21:46

I'm Dominique Hess, I'm the chair of the board of Greenfleet. We offset people's carbon by restoring ecosystems, I tend to work a lot in the positive benefits, because that tends to be a better narrative than the tighten your belts one, particularly within the built environment, education environment, where students and property owners are actually looking at what benefits Am I can I contribute to through my investment? So just a question around how are you seeing that at all?

Brynn O'Brien 22:18

I mean, absolutely not so much in the universe's of companies that we deal with Still, the benefits. pace is being used in a steel in a lot of brainwashing efforts, the kinds of companies that that I engage with, but certainly look, there's a there's a kind of cleaving of corporate Australia and the corporate community at the moment where there is an acceleration towards both the benefits side and also the greenwashing side. Look, it's a really active conversation. But Dominic, I must say you, you would absolutely be better prepared to answer this, this question than me. Because I deal with the bad guys, most of the time. So do you look, do you have anything that you want to add on that?

Speaker 2 23:01

Nighttime pullback? I find that for the projects that I work on, just having that potential narrative around, Alright, we're gonna we need to develop for housing. But how can we bring back species at the same time? How can we improve soil? How can we create a momentum around projects that actually leads to benefit, which then leads to more projects, as people see these things realized? within the education environment? I know with with the huge hits from COVID, there is now a movement from students saying if we come back, we want a better educational environment. We want a space. And I think our cities potentially as cbds are also asking the same questions. How do we come back in a way that is healthy and beneficial for us? So yeah, I'm saying momentum just because the conversations simpler, because zero is hard, actually providing benefit has that those good hormones that come out that helps the narrative. Fabulous.

Helga Svendsen 23:57

I love it. Thanks, Dominique, as well for being a special guest here or contribution as well. Linda, I'm gonna come to you next for your question about the feds legislation. Can you introduce yourself and ask your question, please?

Speaker 3 24:12

I so I'm in the white, I'm on a few boards, including Statewide Super. And, as you said before, Greater Western Water and a couple of other things as well. My question, I guess, is certainly driven by being on statewide super, I suppose all by having been on Super Bowl before and that is the current proxy advisor legislation that the feds are proposing. So there's quite a few proxy advisors who do this sort of work, I suppose, who advise particular super funds on how to you know what to look for whether to vote against remuneration reports or you know, as a couple of things superfunds did put pressure significantly. On Rio Tinto, about things and, you know, the feds are trying to stop those proxy advisors. And I'm wondering if you're by tightening it up, so you can't give advice, which seems counter intuitive in a free market. But you know, depends on who's giving the advice, I guess, and we'll still have free the market is. So my question is really about, are you caught by that? Do you think it is aimed against you? And then I guess the other question came up in our group, which nagari also gave was, how do you tell if, if companies are actually doing what they say they're going to do? Like I can, I've seen beautifully written modern slavery policies. But do I think that people follow that right through in everything that they said, Oh, no, people know how to write the modern cyber policy. And God tickbox done well, without an outside advisors that was really looking at it this really deeply, what are people on board to do?

Brynn O'Brien 25:57

So on the proxy advisors, and there's government's putting pressure on proxy advisors, but it also really, I think, because of the power that's been demonstrated in the ESG framework, because of the power that's been demonstrated by, I guess, the superannuation industry, and its representation of everyday people through massive capital. Over the last five years, in particular, there is a bunch of downward pressure, of course, of course, on the industry and on the concept of ESG, kind of centrally, as to whether ACCR is is caught by the proxy advisors, moves. No, because we're not proxy advisors, I guess, we come to a view about the performance of companies on ESG issues, and we make recommendations to companies about how they should manage those issues. And then institutional investors and proxy advisors go away and evaluate our proposals and our research and make a decision. So we're not in the business of providing an advisory service. But certainly, the combined efforts of the federal government are intended to put pressure on exactly the kind of collaborative effort that we engage in with superannuation. And, you know, not not just Australian industry, super, it's also the ESG is taken very seriously by the major passive asset managers by the major European and American active owners. And that's because pension funds represent regular people who care about ESG issues and don't want their retirement savings put into things that don't align with their values. But also, because there's a pretty solid case that it aligns with long term shareholder returns. So there's an ideological conflict going on in the financial services sector in the superannuation sector, but with the federal government at the moment, hopefully it will kind of petered out at some point. But it doesn't look like it's going to back off at any point soon. And I were

expecting because the reforms that have been announced so far, don't directly tighten the screws on us. We're expecting more along that line. There was a second question, which was about art, how do boards really understand the what they're being presented by? I guess, I guess it's companies in your portfolio, laser or, or advisors? And how do you kind of cut through the bullshit and cut through the greenwash or the box ticking? I think that really is about building confidence and capability at board level, understanding how to ask those right questions, I think with the modern slavery piece, so we've now got the modern slavery compliance requirements in Australia for major Australian corporations. I think, unfortunately, that legislation itself is kind of set up to produce a box ticking exercise, right. So I think engagement with major stakeholder groups, of course, and you know, there's the trade union movement and represented workers representatives here and in other parts of the world is, is really important. And not straightforward, but I think it's building that confidence and capability and, and listening to a broad set of stakeholders will help inform boards making decisions.

Helga Svendsen 29:14

Gretchen, I'm going to come to you next yours is equal voted and yours has a name against it. So you're asking about crisis fatigue at the board. So Gretchen, can you introduce yourself and ask your question?

Speaker 4 29:27

Thanks, Leah. I'm Gretchen not currently on any boards at the moment, but starting to look hence during the Kickstarter program. So our question in our group was around, how does a board manage crisis fatigue? And in particular, we're talking about if you're on a hospital board, and you're talking about COVID, yet just all COVID and then climate if there's all these crises going on? How do you not get stuck in an action into a point of inaction? Because you're just like, Oh, my God, everything's burning.

Brynn O'Brien 29:55

Well, it's how does the board manage it and how do we all manage it? Think just as, as individuals, this is a really live live conversation in our in our organization at ACC. I think naming it naming the fatigue is really, really important. And I think seeking expert advice, one of the ways that we're about to start is at getting some, I guess, assistance from a psychologist that specializes in managing climate, grief, those naming it and then and then seeking out advice and developing strategies is going to be really important. Because if you're a hospital, so of course, you've got COVID. But it's a horrific situation and an enormous amount of stress on the health system, and on individual individual institutions. But it's not long until we're in another bushfire season. And so I guess it's that building resilience as well that at least our organisation is focused on. But I'm not an expert on this, I should say, they're my kind of off the cuff thoughts.

Helga Svendsen 31:03

I'm going to cheekily jump in on that one a little bit, because I am on the board of a hospital. And we are in the middle of a COVID crisis. But one of the things that we and I know it'll be different for every industry, but one of the things that, that I've been trying to not trying to reminding us all of and I think the executive is well across it is the health impacts of climate change. You know, I'm on the board of the Royal Women's Hospital, there is research around their health impacts of climate change on pregnant women. bushfires, as Brent has already raised is a clear health issue. I think connecting it to the day to day business of the organization, climate change, and how it impacts the day to day business of the organization is one way of making it real and live rather than I will deal with that later. It's something over there. It's like, no, it impacts us today in the day to day work of what we do. Okay, even though I said questions with names, will be given priority. I like this question. So I'm gonna put my name against it, even though in the app, it's anonymous. How do we bring young people into the conversation, the generation that will be the outcomes? How do we bring them in, and I'd be interested to also hear your reflections on the young guy who's just put himself up for nomination at ADL, and what that might mean in terms of bringing young people into the conversation. So I'd love to hear your reflections there as well bring.

Brynn O'Brien 32:21

So young people, or their young people know what know what's up young people know what's going on. I think we've seen tremendous leadership from from young people around the world. And in Australia, on the issue of climate change. Some of you know, some of the most powerful leadership that we have in this country is coming from young people. So I guess it's part of the work for us is to try to get young people there speaking, they have a voice. They're there. And so to amplify that, which is particularly challenging in a kind of boardroom setting. And so in relation to that to the nomination of the young person to the to the geoboard. I mean, AGL is a company that has destroyed so much shareholder value over the last five years, you know, we're talking a more than 100% differential between where the index is gone and where their share price is going. So the share prices dropped, a big chunk in the index has gone up. And there's a huge differential there. I mean, clearly, something is wrong. And clearly they need some fresh thinking and skills. I've seen the AGL board's response to the nomination, which is to say that this young person wouldn't enhance I guess, the composition of the board. I guess it's on them to say, Well, what what would then how are they going to change? I wouldn't rule it out as quickly. I think young people really, really understand this. And of course, this young person doesn't have years of board experience. Of course, this young person doesn't have an ICT qualification. But those institutions have not served ajl and its shareholders. So they need to be thinking in fresh ways.

Helga Svendsen 34:10

I confess when I saw it, or almost inspired me to buy shares in AGL just so I get a vote. I didn't think that would be something that I would be thinking about. But there you have it. All right, Dominique,

we are back to you. Now for your question around government policy. I know you've introduced yourself, but if you can do that, very briefly, again,

Speaker 3 34:29

Oh, Dominique Hes, chair of the board of Greenfleet. This was from our group, our group had amazing discussion, and we had lots of questions. They're all in there. So I'm looking forward to answering the ones that we don't get to but this was how do we as people on the boards of various organizations, advocate for the government to give us some clear policy directions?

Brynn O'Brien 34:50

Absolutely. Fantastic question. And, and it goes to I think there was another question in the chat, which was something about what's the key reason for inability to transition. So those things are, I think, really related questions. So I'll answer the second one first. The key reason that Australia as a nation, and I'll talk about Australia, because we're talking about government policy advocacy, the key reason that Australia has failed to transition is because the state has been captured, the government has been essentially captured by the interests of those who stand to benefit from delay, which is really a handful of people and institutions. So by capture, I mean, the state represents the government, right, disproportionately represents the interests of heavy industry, in particular, the coal, oil and gas sectors. Now, the reason that it does that is because the coal, oil and gas sectors have spent extraordinary amounts of money and time over the last 20 or more years, investing in relationships, in political spending, in advertising, and indirect lobbying, either direct lobbying from companies to government or lobbying through their trade associations. So for example, and this brings me to this the next question, up until very recently, so Australia did have a policy to deal with climate change. It was the carbon price, if that was legislated under the Gillard government, but in 2012, it did reduce emissions that had a really pronounced effect. But then it was overturned by the Abbott government in 2014. And the key stakeholders driving that government's overturning of the carbon price were trade associations. So it was the minerals Council of Australia, the petroleum industry, lobby, IPR, and the Business Council in Australia. The Business Council is a really interesting example. So the Business Council of Australia, that CEO sit on the Business Council boards, sometimes other senior executives, and the Business Council is structured around committee, so they have a Climate and Energy Committee. They have a really diverse membership, though, but the Climate and Energy Committee was stacked with the fossil fuels companies. So it was, you know, Glencore and, and shell and bhp and Chevron on that committee, which resulted in the Business Council for a very long time, having terribly outdated, almost climate denier policy positions on on these significant issues. Recently, things have changed a bit, the banks, the financial institutions have stepped up, they have joined that committee, the Atlassian, and some of the tech industry companies have actually joined the Business Council. And what they have been pushing to do is to change the business Council's advocacy to government on climate. So long winded way of saying there is direct policy advocacy that that you can do. But there is also a really important role in ensuring that your trade associations represent you properly. On last point on trade associations, the trade association for directors is the ICT. I've seen a few comments in the chat that the IOC D has had a bit of a turnaround on on climate change recently, which is a good thing. But the AICD has been a

huge part of the problem. Up until now. I'm just going to call it it'll be it probably won't even be very controversial. I think they accepted as my impression. So they're launching this new climate governance initiative in a couple of weeks, can't believe I'm getting a plug for the AICD. But if you're a member, you should you should go in and see it. But as as aicd. Members, it is our responsibility now to ensure that the AICD does not just kind of meet the minimum standards of decency on climate change, but that it actually, as directors should be doing looks at future tech trends looks at Actually, we need a total transformation. And directors of boards are really important set of stakeholders to activate on this transformation. It's not all done and dusted. Like some of the fellows of the aicd. Some of their most senior members, their most prominent members are still out there advocating for policy that is incompatible with a safe climate, they are still out there attacking reasonable voices on climate change. So please do add your voice and please do get involved in policy advocacy. It's so important.

Helga Svendsen 39:29

Here here on all of that. And I will just add, for those that are members of the AICD when they send out those surveys about director sentiment, do them and put your views around climate, our brain we have a million more questions here in the list. But I don't think we're gonna get through them in this part, but we will get through them folks in the next part of the recording. So thank you to everybody for all of your amazing work. Questions, we will come to them in the next part of the recording, you're going to have to listen to the podcast to hear that because we're just not going to get through them here. And now. Bring thank you for bringing such incredible advocacy and knowledge. We said at the outset that part of it was not knowing that not having the knowledge and the tools. And I think you have helped us today to get the knowledge and the tools to continue all of our journey on being able to bring this to the fore. And in fact, it reminds me actually sorry, before, so firstly, thank you, Brynn. You're awesome. Thank you so much for sharing with us today.

Brynn O'Brien 40:34

Absolute pleasure. Incredible questions. I don't think I've ever been on a webinar with such brilliant questions. So thanks so much.

Helga Svendsen 40:43

The take on board community rocks, can I say? Okay, folks, thank you. awesome to have you all here. See you around the traps very soon.