

BHP's governance of industry associations continues to limit its potential as a driver of positive climate policy engagement

On 27 June, BHP released its first Industry Association Review (IAR) in 3.5 years. The 2023 IAR does not substantially improve transparency or accountability for BHP's climate lobbying activities and does not systematically align BHP with the Global Standard on Responsible Climate Lobbying, an investor-backed, best-practice framework. ACCR believes BHP has potential to champion positive climate policy engagement, but this potential is not realised in its latest review.

Key points:

- **The 2023 IAR does not represent a substantial improvement in transparency and accountability on the 2019 IAR.** Some of the changes detract from the quality. These include a narrowing of review scope; the exclusion of coal-technology advocacy group Low Emissions Technology Australia (formerly Coal21); and removal of information on who has industry association governance responsibilities at BHP.
- **BHP's industry association governance would be greatly improved through closer alignment with the investor-backed Global Standard on Responsible Climate Lobbying.** The Standard contains both a range of 'easy wins' for improved governance, as well as a path toward best-practice for positive climate policy engagement (including direct advocacy).
- BHP includes associations in its IAR if they appear on a truncated list maintained by the think-tank InfluenceMap. **However, considerable discrepancies exist between BHP and InfluenceMap's assessments.** BHP has identified five industry associations that have "non-material misalignments", with InfluenceMap ranking the same five as having climate policy engagement that is misaligned with the Paris Agreement.
- **BHP's own climate policy engagement outperforms its industry associations on average.** Its laggard industry associations drag BHP's own InfluenceMap rating down to a D+, or partially misaligned with the goals of the Paris Agreement. **This undermines the company's direct advocacy efforts and limits its alignment with the goals of the Paris Agreement. These laggard industry associations should therefore be considered materially misaligned.**
- One key test ahead for BHP will be to demonstrate that significant improvements are made to the climate lobbying of its misaligned associations – especially the NSW Minerals Council – or to withdraw altogether. **BHP can act in a timely way to recognise material misalignment and step up to prevent negative climate lobbying, including requiring substantial change.**
- Since 2020, BHP has stated that a 1.5C pathway is the best outcome for shareholder value. **In 2021, 98.92% of shareholders supported a shareholder resolution for BHP to "strengthen its review of industry associations to ensure that it identifies areas of inconsistency with the Paris Agreement" and suspend membership "where an industry association's record of advocacy is, on balance, inconsistent with the Paris Agreement's goals." Investors should engage with BHP on its 2023 IAR to ensure BHP is taking appropriate action.**

Key stewardship considerations for investors

We encourage investors to actively engage BHP on its approach to Industry Association Reviews and broader governance of climate lobbying. BHP's shareholders have been patient in waiting for it to substantially change misaligned associations from 'inside the tent' since 2017, when BHP opted to remain with the Minerals Council of Australia and change it and other associations from within.

Deploying its influence to enhance the probability of a 1.5C pathway is an important way BHP can drive long-term value for its shareholders. Key areas of investor engagement include:

1. **Require BHP to closely align its approach with the Global Standard on Responsible Climate Lobbying.** BHP has verbally indicated that it consults the Global Standard as part of its Review process, but this is not documented formally and, as our analysis shows, does not appear to have been systematic.
2. **Advocate for BHP to recognise laggard associations as materially misaligned;** see BHP make continued membership at these associations conditional on more demanding requirements; and leverage external analysis in real-time monitoring and ongoing engagement (e.g. by cross-referencing assessments with InfluenceMap).
3. **Request this enhanced approach be applied to BHP's relationship with the NSW Minerals Council as a matter of priority** given its consistent and ongoing track record of obstructive climate policy advocacy. BHP holds influence at the association and has noted its seat on the Executive Committee.

BHP's **current plan to simply seek confirmation** from the NSW Minerals Council that "its policy agenda to support the achievement of a reliable, affordable and zero emissions electricity grid" **is inadequate to address the association's material misalignment** with the goals of the Paris Agreement. **Instead, BHP can:**

4. **Write to the NSW Minerals Council and request it cease advocacy which appears designed to delay the closure of the Eraring coal-fired power station in NSW, and instead provide appropriate context and full, balanced evidence for its statements. BHP can make its membership conditional on these actions.** To date, NSW Minerals Council's advocacy has called for closure to be delayed indefinitely, until more renewables generation is available, and has claimed delayed closure of Eraring is the "only solution for NSW power". It does not sufficiently address the financial and climate costs of delayed closure, nor does it acknowledge independent analyses that show delays may be limited and even avoidable under the right policy settings for transmission and storage. We note the NSW Minerals Council previously warned of blackouts following the closure of Liddell Power Station in NSW, which did not eventuate.
5. **Enhance its real-time monitoring to ensure timely and effective engagement on other misalignments.** NSW Minerals Council has a long and consistent track record of negative climate advocacy. Its messaging on the Eraring closure is only the latest instance. **As BHP itself has noted:** the association "tends to have more of a focus on the costs and risks associated with the energy transition" rather than "giving due consideration...to the policy solutions needed" for a successful and timely energy transition; it has used Business-As-Usual forecasts to argue for abiding future coal demand rather than call for more ambitious climate policies; and it continues to advocate for "high quality, low-emissions" coal without making clear coal is not a low emissions energy source.

The only benefit from NSW Minerals Council to BHP highlighted in the 2023 IAR is its assistance on Mt Arthur mine closure. **BHP left the World Coal Association in 2018 because it pursued technology-specific advocacy for 'High Efficiency, Low Emissions' (HELE) coal and provided only a "narrow" scope of benefits to BHP. Investors could reasonably expect BHP to explain why it is not also seeking more significant change from the NSW Minerals Council.**

Analysis of BHP’s 2023 Industry Association Review

Changes to approach and methodology do not bring substantial improvements

BHP published its 2023 Industry Association Review (IAR) on 27 June. This is the first full IAR conducted by BHP since December 2019, three and a half years ago.¹ The 2023 IAR does not represent a substantial improvement on the 2019 IAR. This is despite BHP having engaged over 50 investors and civil society organisations, including ACCR, for feedback on its review process in February 2023.²

BHP made a number of modest changes to its IAR approach. These are summarised together with ACCR’s analysis of their impact in the table below:

Change in BHP’s 2023 IAR	Observations
Moved from a three-year to a two-year review period with updates in intervening years, following February 2023 stakeholder engagement.	<ul style="list-style-type: none"> This is a return to BHP’s initial review period of two years (its first two IARs were published in 2017 and 2019) with some updates published in intervening years,³ meaning this is not an historically new level of ambition. Does not meet the requirement of the <i>Global Standard on Responsible Climate Lobbying</i> for full annual reporting.
Expanded disclosures to include assessment information on ‘aligned’ associations.	<ul style="list-style-type: none"> Positive in principle, but undermined by the lack of triangulation with stakeholder views and external assessments, such as those conducted by the think-tank InfluenceMap.
Shifted scope from associations with “an active position on climate and energy policy”, to associations for which base membership fees are ≥ USD 100k and/or those listed on a InfluenceMap ranking.	<ul style="list-style-type: none"> This is a reduction in scope. No rationale is given for the USD 100k threshold, which may exclude material contributions to small organisations. The InfluenceMap ranking used is a truncated list.⁴ BHP would do better to refer to InfluenceMap’s rankings on LobbyMap and its wider suite of analysis, as well as include all associations with climate and energy positions in its scope.

¹ The 2023 IAR covers the period from January 2020 to February 2023. This covers most but not all of the period since the 2019 IAR, which covered 1 January 2018 to 15 November 2019.
https://www.bhp.com/-/media/documents/ourapproach/operatingwithintegrity/industryassociations/230627_bhpindustryassociationreview2023.pdf

² We note that BHP planned to release an IAR in December 2022 but delayed publication in order to incorporate feedback from investors given prior to its November 2022 AGM.
<https://www.bhp.com/about/operating-ethically/industry-associations>

³ BHP’s 2019 IAR, for instance, mentions updates to its 2017 reporting were published online in 2018, though these are not made clearly available on its website:
https://www.bhp.com/-/media/documents/ourapproach/operatingwithintegrity/industryassociations/191212_bhpindustryassociationreview2019.pdf?la=en&hash=80B9F0F249A2A629C7A42D7AD6895F01#:~:text=The%202019%20industry%20association%20review%20focused%20on%2029%20industry%20associations,register%20of%20industry%20association%20memberships.#:~:text=The%202019%20industry%20association%20review%20focused%20on%2029%20industry%20associations,register%20of%20industry%20association%20memberships.#

⁴ ACCR’s analysis indicates that BHP missed only one association – Business Council of Canada – by using this shorter InfluenceMap list (<https://ca100.influencemap.org/Industry-Associations>) primarily because it appears to no longer be a member of associations on longer lists. This is, however, a coincidence rather than an indication that this less comprehensive list should be relied on.

Coal21 (now Low Emissions Technology Australia, or LETA) is no longer included in the review.	<ul style="list-style-type: none"> • The <i>Global Standard on Responsible Climate Lobbying</i> requires disclosure of “associations, alliances, coalitions or think tanks” where a company is a member or provides support. • BHP does report on LETA in its ‘real-time disclosures’, meaning it is assessed and could easily be included in the IAR.
Assessment categories changed from ‘aligned, mostly aligned, partly aligned and misaligned’ (based on proportion of aligned and materially different positions), to ‘alignment, some non-material misalignment, and material misalignment’ (without proportional criteria).	<ul style="list-style-type: none"> • This is a positive change in that it reduces criteria complexity, and because any material misalignment is sufficient to categorise an association as materially misaligned (rather than requiring more of its policies to be misaligned than aligned).
Information on review governance moved from report to industry associations webpage, and information about oversight removed.	<ul style="list-style-type: none"> • The <i>Global Standard on Responsible Climate Lobbying</i> requires companies to assign oversight responsibility for climate change lobbying at the board level, and to assign implementation responsibility to senior management. • This is a step back from the 2019 IAR, which provided some (if partially unclear) information on responsibility allocation.
No longer includes a list of companies and their levels of alignment.	<ul style="list-style-type: none"> • This reduces insight into overall association performance, which is related to the <i>Global Standard on Responsible Climate Lobbying</i> requirement that companies publish an assessment of the impact of their lobbying activities.

Leverage Global Standard to boost review transparency and quality

It is unclear to what extent BHP may have consulted the *Global Standard on Responsible Climate Lobbying* (GSRCL) in conducting its IAR. Launched in March 2022, the GSRCL is the leading, investor-backed standard for corporate climate policy engagement.⁵

BHP’s 2023 IAR does not reference the GSRCL and, as the previous section notes, makes some changes that reduce BHP’s alignment with it, including in areas that could be considered ‘easy wins’. We summarise key actions for improving alignment in the table below:

GSRL best practice	Actions to improve alignment
<i>Allocate responsibility</i>	<ul style="list-style-type: none"> • Assigning responsibility for oversight of lobbying activities to the board and responsibility for implementation of lobbying policies to senior management would improve accountability. It may also better reflect current practice at BHP.
<i>Confirm global scope</i>	<ul style="list-style-type: none"> • It would be best practice to state that BHP’s lobbying standards apply to all operations and jurisdictions. This may already be the case but investors would

⁵ <https://climate-lobbying.com/>

	prefer this to be explicit rather than assumed, ⁶ especially given BHP renamed its 2020 Global Climate Policy Standards as Climate Policy Principles in 2023. ⁷
<i>Increase transparency on membership payments</i>	<ul style="list-style-type: none"> Disclosing annual payments (rather than large pay ranges), as companies like AGL have, would improve transparency.
<i>Report annually</i>	<ul style="list-style-type: none"> BHP's planned interim updates should seek to provide investors with as full a view as possible of overall lobbying activities and impact, rather than being restricted to addressing misalignments. BHP's biennial reporting coupled with updates in intervening years should be boosted to full reporting on an annual basis as soon as possible.
<i>Triangulate with stakeholder assessments</i>	<ul style="list-style-type: none"> GSRCL notes that cross-referencing assessments with those of stakeholders, such as InfluenceMap, is critical to ensuring credibility.
<i>Integrate reporting and provide overall assessment</i>	<ul style="list-style-type: none"> Integrating direct advocacy (including advertising) into the IAR and subjecting it to the same review process would provide investors with a clearer sense of all lobbying activities.⁸ Shell, for example, has included direct and indirect lobbying in its 2022 Lobbying Report.⁹ Report clarity could also be enhanced by including more important information about misalignment and remediating actions in the executive summary, and by including BHP's full list¹⁰ of material and non-material associations in the IAR Appendix. Likewise, the IAR should include, or at a minimum link to, BHP's <i>Principles for participating in industry associations</i> and other important governance documents, as was previously done in the 2019 IAR.¹¹ The IAR should specify the reevaluation period for each misaligned association (i.e. whether a decision will be taken on membership in 12 months or less). An overall assessment of lobbying activities' impact on BHP's climate change policy and transition strategy would also be best practice, under the GSRCL.
<i>Formalise stakeholder engagement process</i>	<ul style="list-style-type: none"> While BHP did engage stakeholders in February 2023, this does not appear to be part of an established process for regular engagement, as is best practice under the GSRCL.

⁶ https://www.iccr.org/sites/default/files/leadinglobbyingpracticestodrive1.5cpolicy_final.pdf

⁷ <https://www.bhp.com/sustainability/climate-change/advocacy-on-climate-policy>

⁸ BHP currently maintains a separate webpage for direct advocacy on climate policy and does not appear to subject it to the same reporting standards as its industry associations:

<https://www.bhp.com/sustainability/climate-change/advocacy-on-climate-policy>

⁹ <https://reports.shell.com/climate-and-energy-transition-lobbying-report/2022/>

¹⁰

https://www.bhp.com/-/media/documents/ourapproach/operatingwithintegrity/industryassociations/230518_bhp_industryassociationdisclosure.pdf

¹¹

https://www.bhp.com/-/media/documents/ourapproach/operatingwithintegrity/industryassociations/230518_bhp_principlesforparticipatinginindustryassociations.pdf

BHP's own climate advocacy efforts are weakened by laggard associations

BHP's 2023 IAR deemed 15 associations to be material for review, down from the 30 organisations included in the 2019 IAR. We note that this is partly because one of the associations, CEO Climate Dialogue, closed down,¹² and because BHP has left at least seven oil & gas associations¹³ as a consequence of its divestment from the sector and sale of BHP Petroleum to Woodside in mid-2022.¹⁴

There are nine organisations included in the 2019 IAR that were not considered material for the 2023 IAR and where BHP appears to still be a member: Business Council of Canada, Center for Climate and Energy Solutions, Climate Leadership Council, Coal21 (now Low Emissions Technology Australia, or LETA), Global Carbon Capture and Storage Institute (GCCSI), International Emissions Trading Association, Resource Industry Network, ResponsibleSteel and World Nuclear Association.

Some of these, such as LETA and GCCSI, may have been excluded on grounds that these organisations consider themselves think-tanks or research organisations rather than industry associations. As noted above, GSRCL best practice is to include all organisations with active climate policy advocacy. The exclusion of LETA is particularly notable because it is still subject to real-time monitoring by BHP,¹⁵ and given BHP faced considerable investor pressure to discontinue its membership in 2019.¹⁶ More generally, the rebranding of Coal21 to Low Emissions Technology Australia is potentially misleading given the organisation's continued focus on coal – a fossil fuel that is inherently not low emissions compared with a range of other energy sources. BHP does not appear to have expressed concerns about this.

Other organisations may have been excluded because they neither receive contributions \geq USD 100k from BHP nor appear on InfluenceMap's truncated ranking of associations. InfluenceMap has conducted a profile on one of these organisations, the Business Council of Canada (rating: C),¹⁷ something BHP seems to have overlooked in using InfluenceMap's truncated list.

There are four organisations, meanwhile, that BHP included in its 2023 IAR and assessed as aligned but that are partially misaligned with the Paris Agreement according to InfluenceMap assessments.¹⁸ Note that InfluenceMap ratings from D to F indicate increasingly obstructive climate policy engagement that is not broadly aligned with the goals of the Paris Agreement, to which BHP and its Climate Policy Principles¹⁹ subscribe.

¹²<https://www.ceoclimatedialogue.org/blank>

¹³ Namely: American Petroleum Institute; Australian Petroleum Production and Exploration Association; Energy Chamber of Trinidad and Tobago; International Association of Oil and Gas Producers; International Petroleum Industry Environmental Conservation Association; Instituto Brasileiro de Petróleo e Gás (no longer on the member list but still on "E&P extended board of directors", presumably because website not updated); and Canadian Association of Petroleum Producers. It is unclear if BHP remains a member of the International Chamber of Commerce, which was included in the 2019 IAR.

¹⁴ <https://www.bhp.com/about/our-businesses/woodside-bhp-merger>

¹⁵ <https://www.bhp.com/about/operating-ethically/industry-associations>

¹⁶ <https://www.afr.com/companies/mining/bhp-to-review-coal21-membership-20190905-p52o9x;>

<https://www.afr.com/companies/mining/bhp-stares-down-climate-pincer-movement-20191010-p52ziw>

¹⁷

<https://lobbymax.org/influencer/Business-Council-of-Canada-3a80afc0d80626f147477b2404ea3464/projectlink/Business-Council-of-Canada-in-Climate-Change-24366c5e720227f4d195d0498a217c13>

¹⁸ <https://lobbymax.org/LobbyMapScores>

¹⁹ <https://www.bhp.com/sustainability/climate-change/advocacy-on-climate-policy>

'Aligned' associations in BHP's 2023 IAR with InfluenceMap ratings that are not significantly Paris-aligned	InfluenceMap ratings
Mining Association of Canada	D+
South Australian Chamber of Mines and Energy	D
Australian Industry Greenhouse Network	D
Chamber of Minerals and Energy of Western Australia	D-

We note that BHP's 2019 IAR gave 'mostly aligned' assessments to each of these associations, except the Mining Association of Canada, which BHP deemed as having partial and material misalignment because it lacked a position on the Paris Agreement. Here, BHP engagement saw the Mining Association of Canada provide more explicit support of the goals of the Paris Agreement.²⁰ There is, however, no readily available information to indicate what engagement or change has occurred at the other associations since 2019. BHP also provides no indication as to why its assessments of these associations appear to differ substantially from InfluenceMap's ratings.

The five associations BHP's 2023 IAR found 'non-material misalignments' with are: the Canadian Chamber of Commerce; the Minerals Council of Australia; the US Chamber of Commerce; the Queensland Resources Council; and the NSW Minerals Council. BHP's assessments are summarised alongside InfluenceMap's ratings below:

Associations with 'non-material misalignments'	Key BHP findings	InfluenceMap ratings
Canadian Chamber of Commerce	"We believe there is room for the CCC to strengthen its position on mandatory Scope 3 reporting and low to zero GHG emissions hydrogen production, and ensure it provides appropriate context on the future role of fossil fuels."	D
Queensland Resources Council	"In November 2021, the QRC advocated in a manner that presented a misleading view of the electricity system in Queensland."	D-
Minerals Council of Australia	"The association has, at times, undertaken advocacy that does not appear to have been appropriately focused (such as commenting on the draft European Union Sustainable Financing Taxonomy) or given appropriate context to the future role of fossil fuels."	D-
NSW Minerals Council	"The NSWMC has tended to emphasise the risks associated with the transition of the electricity sector, without engaging during our 2023 industry association review period (at least publicly) with various policy processes designed to mitigate these risks. Furthermore, the NSWMC has not always given appropriate context on the future role or GHG emissions profile of fossil fuels."	E

²⁰ <https://www.bhp.com/about/operating-ethically/industry-associations>

US Chamber of Commerce	"We believe there is room for the US Chamber to strengthen its position on fuel efficiency standards and mandatory Scope 3 reporting, and ensure it provides appropriate context on the future role of fossil fuels."	E-
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For the NSW Minerals Council, BHP noted its continued membership is "conditional on the association confirming its policy agenda to support the achievement of a reliable, affordable and zero emissions electricity grid." We also note that BHP concluded the suspension of its Queensland Resources Council membership after the association ceased political party-specific campaigning and stated support of the goals of the Paris Agreement.

In total, then, 9 of the 15 associations assessed in BHP's 2023 IAR are rated by InfluenceMap as not broadly aligned with the goals of the Paris Agreement. Given the considerable discrepancies between BHP and InfluenceMap's assessments, and given that BHP uses InfluenceMap's association rankings as a criteria for inclusion in its IAR, it would be reasonable that BHP also cross-reference its assessments with InfluenceMap's. Since InfluenceMap's methodology and the evidence for its ratings are publicly available, BHP would be able to adjust its assessments or provide reasons for the discrepancies.

Investors should be concerned about these laggard industry associations because, according to InfluenceMap assessments, BHP outperforms its industry associations on average when it comes to climate policy engagement (see table over the page, showing relationship score below organisation score). Each of the 9 associations also performs worse than BHP individually. They therefore help drag BHP's own InfluenceMap rating to a D+, or partially misaligned with the goals of the Paris Agreement, when its own advocacy is around a C.²¹ This represents a material impact on BHP's own climate policy alignment with the Paris Agreement.

In 2021, 98.92% of shareholders supported a shareholder resolution to request BHP to "strengthen its review of industry associations to ensure that it identifies areas of inconsistency with the Paris Agreement." The resolution also asked BHP to suspend membership "where an industry association's record of advocacy is, on balance, inconsistent with the Paris Agreement's goals."²²

Prioritise engagement with most misaligned associations

An important element in improving BHP's engagement with industry associations would be to take stronger action in addressing its most misaligned associations.

This should start with the three Australian associations BHP's 2023 IAR identified as having 'non-material misalignments'. BHP has more influence at these associations than the US and Canadian Chambers of Commerce because they are industry-specific, Australian-based and because BHP holds board or executive committee roles at each organisation. Of these associations, the NSW Minerals Council is the most Paris-misaligned and the largest drag on BHP's overall performance.

²¹ See InfluenceMap's assessment of BHP's climate policy engagement here: <https://lobbymap.org//company/BHP-Billiton>

²² <https://www.accr.org.au/news/accr-shareholder-resolution-to-to-bhp-group-ltd-on-climate-related-lobbying/>

InfluenceMap ratings	BHP	QRC	MCA	NSW MC
<i>Performance band</i>	D+	D-	D-	E
<i>Organisation score</i>	59	40	42	31
<i>Relationship score</i>	49	n/a	n/a	n/a
<i>Intensity score</i>	43	19	49	32

BHP should prioritise engagement with the NSW Minerals Council and more clearly put the industry association on notice of its intention to withdraw membership and financial support unless its climate advocacy is overhauled. This should include recognising that the association is materially misaligned with BHP’s commitment to the goals of the Paris Agreement.

BHP should also go beyond requiring confirmation from the association that its policy agenda supports a “reliable, affordable and zero emissions electricity grid”. This would be insufficient for addressing NSW Minerals Council’s misaligned advocacy, such as its ongoing support for coal demand in Asia despite lower cost renewable energy technology being available,²³ and its insistence – across at least eight articles in the last 12 months in the *Daily Telegraph* alone,²⁴ along with other media releases²⁵ – that scheduled closure of coal-fired power stations like Eraring is premature.

The NSW Minerals Council has repeatedly argued that the August 2025 closure of Eraring would be premature because there is insufficient renewables capacity to ensure sufficient electricity supply, and that energy reliability and prices would worsen as a result. The NSW Minerals Council does not, however, consistently draw on appropriate context or a sufficient balance of evidence to support its claims in op-eds. Two recent reports, by Climate Energy Finance and Nexa Advisory, do provide this, along with modelling, and demonstrate there is sufficient renewable capacity in development to allow Eraring to close on time; accelerated connection of these projects can help ensure this; and that on-time closure would result in lower long-term power prices.²⁶ Other energy experts, including the Grattan Institute, have noted that an “appropriate mix of wind and solar, more transmission and more storage” could allow timely closure of Eraring, and that short-term retail prices are unlikely to be substantially affected.²⁷ NSW Minerals Council has previously pursued similar advocacy to delay closure of the

²³ <https://www.nswmining.com.au/coal>

²⁴ <https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/6961bbd6-5275-46ed-9fe6-905dcc7ea6c8/TinyTake23-11-2022-07-17-36.png>;

<https://www.nswmining.com.au/news/2022/10/energy-future-for-nsw-families-candles-torches-and-government-backflips>;

[https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/7c5d991e-e29b-435f-808a-2f81f5892c4d/1749372781_20231207%20\(1\).pdf](https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/7c5d991e-e29b-435f-808a-2f81f5892c4d/1749372781_20231207%20(1).pdf); <https://www.nswmining.com.au/news/2023/3/opinion-coal-prices-are-falling-so-why-are-power-prices-still-rising>;

https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/123096c8-4479-4931-a30d-96c6f317a15e/183124418_6_20240420.pdf; <https://www.nswmining.com.au/curse-of-the-dusty-bottom-drawer-explains-hydro-2-0-daily-telegraph-9-may-2023>;

<https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/c73a8591-8b7e-4ad4-95fd-56817c029dd9/TinyTake29-05-2023-07-47-34.png>;

<https://assets-us-01.kc-usercontent.com/b1c065f0-3877-009c-39ba-a9df6fc06e39/e0e3d548-7be5-4b13-a67c-366b5380b3e4/DT%2024%20July%202023%20full%20clip.png>

²⁵ <https://www.nswmining.com.au/news>

²⁶ https://docs.google.com/document/d/16x0HswEdy53aT1d82L2nbR79_bSrTcH7LgZUo8Tsgl8/edit#heading=h.slozltzv7z11;

<https://nexaadvisory.com.au/site/wp-content/uploads/2023/07/Nexa-Advisory-Eraring-can-be-closed-on-schedule-Report-24072023.pdf>

²⁷ <https://www.smh.com.au/national/australia-s-biggest-coal-fired-power-station-is-closing-early-will-prices-go-up-20220218-p59xqu.html>

Liddell Power Plant, warning – as it has for Eraring – of blackouts in NSW, yet these did not eventuate following closure.²⁸

BHP should write to the NSW Minerals Council and request that it cease advocacy that appears to seek delayed closure of the Eraring coal-fired power station, and to consistently provide appropriate context and balanced evidence for its statements. Given NSW Minerals Council’s persistent and material misalignment, BHP should make its continued membership conditional on the association immediately improving or ending this campaign.

This approach would ensure better accountability and alignment than only requesting NSW Minerals Council to confirm its policy agenda, as is BHP’s current plan.

BHP’s real-time monitoring should also be enhanced to ensure more timely engagement with advocacy that lacks sufficient evidence or context and that delays emissions reductions. This is especially important in view of the NSW Minerals Council’s extensive track record of negative climate advocacy, of which its messaging on the Eraring coal fired power station closure is only the latest instance.

As BHP itself has noted in the 2023 IAR, the NSW Minerals Council:

- “[T]ends to have more of a focus on the costs and risks associated with the energy transition” rather than “giving due consideration...to the policy solutions needed” for a successful and timely energy transition;
- Has used Business-As-Usual forecasts to argue for abiding future coal demand rather than call for more ambitious climate policies; and
- Continues to advocate for “high quality, low-emissions” coal without making clear coal is not a low emissions energy source.

A similar approach to the above could be taken for the other misaligned associations that are having a material, negative effect on BHP’s overall climate engagement. As such, we recommend BHP:

- Make greater efforts to identify materially misaligned associations and make more specific and extensive requirements of them;
- Ensure these requirements are conditional for continued membership at these associations;
- Leverage InfluenceMap and other stakeholder analysis in assessments, active monitoring, and engagement to ensure accountability.

²⁸

https://www.dailytelegraph.com.au/subscribe/news/1?sourceCode=DTWEB_WRE170_a_GGL&dest=https%3A%2F%2Fwww.dailytelegraph.com.au%2Fnews%2Fopinion%2Fafter-liddell-shuts-will-we-be-left-in-the-dark%2Fnews-story%2Fc419c477d4e683a175682182e90f5430&metype=registered&mode=premium&v21=dynamic-high-control-score&V21spcbehaviour=append

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