



## Legal & General delivers climate strategy for New Zealand investors in partnership with BT Funds Management (NZ)

**At the time of the COP26 Summit when the world is focused on tackling climate change and managing the net zero transition**

Westpac NZ's KiwiSaver and managed fund arm, BT Funds Management NZ (BTNZ), has taken a major step towards aligning its portfolio with its climate objective of a 1.5 degree C pathway by developing a market-leading climate investment strategy in partnership with Legal & General Investment Management (LGIM).

**Mike Walsh, Head of Strategic Partnerships at Legal & General (L&G)** noted that this strategy aims to provide a tangible reduction in greenhouse gas emission for New Zealand investors, reducing global greenhouse emission intensity by 50% at outset and further reduces them each year to align with the 1.5 degree C temperature pathway. "We are delighted to work with BTNZ in providing a strategy that helps accelerate the low carbon transition. The recent UN emissions gap report is alarming and shows that inaction is no longer a viable option for any financial institution. Investors like Legal & General and BTNZ, have a responsibility to work together to accelerate change if we are to keep the 1.5C threshold in sight."

**Philip Houghton-Brown, Head of Investment Solutions at BTNZ** confirmed that this initial investment is just the beginning and observed that New Zealanders are increasingly vocal about wanting to invest in funds that align with their social and environmental principles. Further, that they want to see action and less debate around sustainability issues. By delivering funds that can grow their wealth and also support positive environmental outcomes, investors can take steps to support climate action which will make a difference.

"BTNZ chose L&G because of their recognised leadership in this area. L&G receives widespread industry recognition when it comes to sustainable investing. It is known for taking a proactive approach to tackling climate change and other environmental, social and governance matters, and for vocally engaging with and encouraging companies that aren't making good progress to improve their performance," says Mr Houghton-Brown.

### **Natasha Mora – Managing Director Asia at Legal & General Investment Management**

"We are pleased to have joined forces with BTNZ in combining our respective areas of expertise in responsible investment to provide a climate solution for New Zealand Investors. This strategy is a further demonstration of our commitment to growing our business globally through working in partnership with likeminded investors."

"This solution has been built on our core belief that by exercising our rights and position as one of the world's leading asset managers, we can influence the actions and behaviours of the companies in which we invest on behalf of our clients. We believe that this will lead to positive change in the companies and markets in which we invest, ultimately resulting in long-term value for our clients."

LGIM has a strong expertise in responsible investing and is recognised for taking its investment stewardship seriously. As well as assessing over 16,000 companies under its ESG scoring methodology, LGIM has recently been recognised for being a top supporter of 'climate-critical' shareholder resolutions in 2020 compared to the world's 12 largest asset managers.\*

## About Legal & General Investment Management

Legal & General Investment Management is one of Europe's largest asset managers and a major global investor, with total assets under management of £1.33 trillion\*\*. We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Throughout the past 40 years we have built our business through understanding what matters most to our clients and transforming this insight into valuable, accessible investment products and solutions. We provide investment expertise across the full spectrum of asset classes including fixed income, equities, commercial property and cash. Our capabilities range from index-tracking and active strategies to liquidity management and liability-based risk management solutions.

\*Majority Action, Climate in the Boardroom, How Asset com

\*\*LGIM internal data as at 30 June 2021. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.

## Further information

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