

# Climate Change Position Statement



**CALTEX**

## Introduction

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We accept the Intergovernmental Panel on Climate Change (IPCC) assessment of climate change science and the importance of limiting warming to less than 2 degrees above pre-industrial levels. We acknowledge that coupled with the requirement to supply safe, affordable and reliable transport fuels to our customers, climate change presents both risks and opportunities for Caltex.

Caltex supports measures to reduce emissions and is committed to playing a role in the transition to a low carbon future. This includes initiatives that support the achievement of Australia's 2030 climate change target and Paris Agreement commitments.

## Our Approach

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Our approach to climate change considers the risks and opportunities posed by a transition to a low carbon economy together with our strategic objective to deliver continued value to our customers and shareholders.

### **Building resilience to both the transitional and physical risks posed by climate change**

- We are using scenarios to explore uncertainties and better understand the business implications of climate change across possible short, medium and long-term future outcomes.
- We are building the processes to consider climate change for proposed new investments.
- We will embed climate change considerations into our business decision-making systems and processes.

### **Supporting the use of renewable energy sources and low carbon products**

- We are installing photovoltaic panels across 60% of our Western Australia retail network.
- We continue to look to source renewable energy for our power needs.
- We identify opportunities to partner and deliver low carbon products for our customers.

### **Reducing the carbon intensity of our operations**

- We optimize the use of energy by our assets through improved processes, demand management and energy efficient projects and technology.

### **Undertaking external engagement and advocacy**

- We engage with our stakeholders, including our shareholders, customers and the community to understand their expectations relating to climate change.

- We will engage and be kept informed on the science, policy developments and trends relevant to climate change.
- We proactively engage with stakeholders to collaborate and share information and continue to advocate for policies that are equitable and both environmentally and financially responsible.

## Improving transparency and reporting

- We keep our stakeholders informed of our progress through transparent disclosures in our corporate reporting.
- We have adopted the Financial Services Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations as a framework for our climate-related disclosures.

## Governance

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Our Board considers climate change a material strategic issue and it forms part of our broader Environmental, Social and Governance (ESG) framework.

The Board's Safety and Sustainability Committee oversees Caltex's climate change approach and performance on a quarterly basis. In addition, the Committee undertakes a deeper review and analysis of our climate change approach and performance on an annual basis. The Committee will:

- Review reports from management on the risks and opportunities posed by climate change, together with considering the results of scenario analysis undertaken.
- Review and recommend to the Board the approval of climate change disclosures in our corporate reports.
- Monitor performance against objectives and targets set including emission reduction efforts.
- Review progress against commitments made in the Climate Policy Position Statement.

## Review

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The Safety and Sustainability Committee will review this position statement every two years and recommend to the Board any amendment to the statement.

## Document Details

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Document Owner	Executive General Manager, Legal and Corporate Affairs
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