

What are other Pension Funds doing?



Pension Funds' Commitments

1. Full divestment by.....

2. Partial divestment e.g.

- just coal & tar sands
- X% of fossil fuel holdings

3. Carbon neutrality by....

4. Transfer to Low Carbon Funds *but*

Full Divestment 1



Southwark

- Direct equity investments fully divested from oil & gas.
- 75% of investments now in low, zero or negative carbon holdings.
- Since 2017, the Fund's carbon footprint has reduced by 44%.

Lambeth

- Has transferred nearly all its investments into FF-free funds – *but didn't have direct FF investments.*
- As of 31 March 2021 had no direct exposure to FF and only 1% indirect exposure.

Full Divestment 2

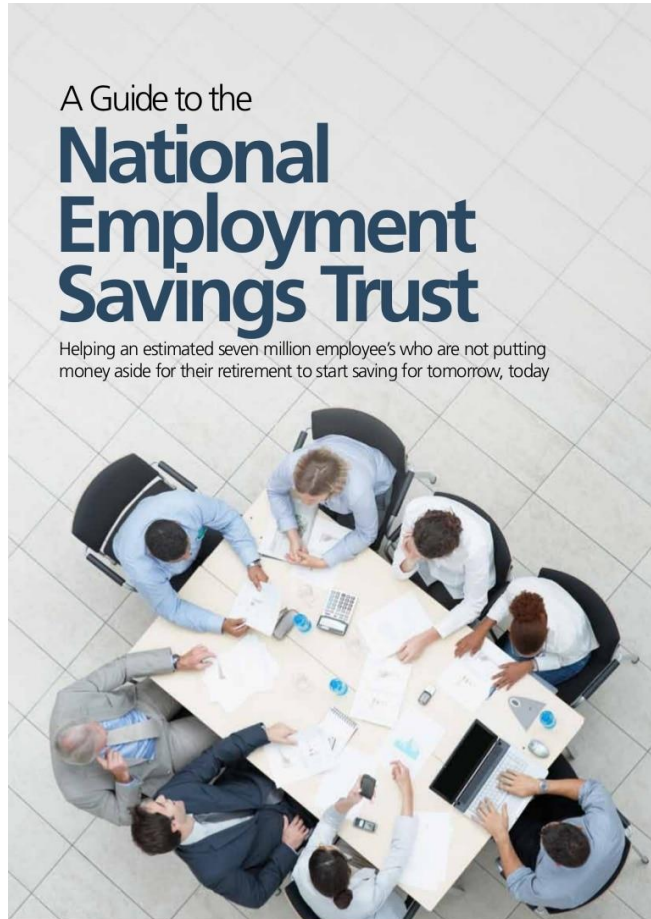


Waltham Forest has reduced FF stocks by 44% in 3 years.

Cardiff & Vale

- Voted in July 2019 to divest from FF within 5 years
 - 10% of fund invested in low carbon tracker in April 2021
 - *But* still has direct holdings in Shell, BP and Exxon
- **Environment Agency**
 - By March 2021, reduced 99% of emissions from coal and 98% from oil & gas holdings

Partial Divestment



- **Islington** to reduce FF stocks by 75% by 2022.
 - 55% reduction so far.
 - Invested £150m into housing
- **NEST**
 - Divested from all companies with over 20% revenue from coal, oil sands & arctic drilling by end of 2020

Carbon Neutrality

Two different experiences



**SOUTH YORKSHIRE
PENSIONS AUTHORITY**

- SYPA has already stopped investing in coal and tar sand companies
- In September 2020 unanimous decision to set a goal of Carbon Neutrality by 2030
- But limited progress, because it's part of *Border to Coast Pensions Partnership*
- *Border to Coast has a 2050 Net Zero target*

- Oxfordshire PF agreed in 2020 to reduce emissions by 7.6% every year in line with Paris Agreement
- Well exceeded this target in first year
- Reduced FF by 30% & emissions by 18%



Transfer to Low Carbon Funds

May be a smokescreen?



- To move third of its investments into low carbon index trackers.
- Invested £400m in low carbon fund in 2019

But.....

- **GMPF** moved £2.3bn into low carbon fund in 2019
- We estimate that only £124m was previously in FF.
- When it has £1bn in FF holdings and *increased* these 2019-20.

Overseas



Norway's Sovereign Wealth Fund sold all its holdings in oil & gas companies by January 2021.

New York State PF

- Has already sold its coal stocks.
- Plans to sell most of its FF investments in the next 5 years.



Dutch Civil Servants & Teachers Fund

Pensions industry

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Dutch pension giant ABP to dump €15bn in fossil fuel holdings

Retirement scheme says 'radical change' needed as global temperatures rise



ABP says it expects to sell the majority of its investments in oil, gas and coal companies by the first quarter of 2023 © REUTERS

- ABP - one of the world's biggest PFs with large holdings in BP & Shell.
- Previously supported engagement with FF companies.
- *'We part with our investments in fossil fuel producers because we see insufficient opportunity as shareholders to push for the necessary acceleration of the energy transition at these companies.'* Nov 2021.