

Cheshire Pension Fund MEMBERS FORUM

www.cpfmembersforum.com

PRESS RELEASE (no 10) October 2019

CLIMATE CRISIS and SUSTAINABLE INVESTMENTS

Our Members Forum welcomes the announcement by our **Cheshire Pension Fund** of the investment of £500 million into a new Low Carbon fund (the LGPS Central, All World Equity Climate Multi Factor Fund)

- The CPF announcement **Pension fund invests in a greener future** is at <http://www.cheshirepensionfund.org/cheshire-media-release-lgps-central-all-world-equity-climate-multi-factor-fund/>
- LGPS Central say this fund tracks the **FTSE All-World Climate Balanced Comprehensive Factor Index**, which incorporates three key climate change considerations; carbon emissions, fossil fuel reserves and green revenues. It has been designed to take into account the risks and opportunities associated with climate change, and at the same time achieve superior investment returns over the long-term. See <https://www.lgpscentral.co.uk/lgps-central-limited-launches-all-world-equity-climate-multi-factor-fund/>
- The four major councils that constitute CPF have now all declared a Climate Emergency - Cheshire West and Chester, Cheshire East, Warrington BC, and Halton BC. This is one local step to improving the climate crisis.
- In our submission to the Cheshire West and Chester Climate Emergency, we highlighted how 44% of all investments made in the UK come from our pensions. Our money props up the biggest companies who have the biggest climate impact.
- CPF Cheshire Pension Fund is worth £5 billion. We think that we have in our hands here in Cheshire the investing power to start to help to reprogramme the economy, locally nationally and globally.
- Guy Opperman, the Minister for Pensions and Financial Inclusion, said on 14 October, "Now it is over to the pensions industry to heed my clarion call to use their vast financial power to protect our environment and build a better future not only for their members, but for a whole generation who are deeply concerned about the planet."
- We agree. Our Members Forum welcomes the 2018 pension regulations on wider roles of Pension Trustees of ESG (Environmental, Social, and Governance) values in making investing decisions.
See <https://www.gov.uk/government/consultations/pension-trustees-clarifying-and-strengthening-investment-duties>

We think that particularly because we are a local government fund in Cheshire, our pension fund CPF could invest sustainably and in a socially responsible way such as:

- housing, with a view to low cost housing in Cheshire
- transport
- renewable energy developments.

Our Members Forum started in 2018. We argue that our pension fund and investment managers can divest funds, can re-invest sustainably, and can exert pressure on companies to take more responsibility. Pension funds have voting rights at AGMs. We have also queried some current CPF investments in a number of different areas on our website at www.cpfmembersforum.com highlighting:

- That CPF own over 30 properties mostly in the South-East, not here in the areas of Cheshire, Warrington, and Halton, where the fund councils, employers, employees and residents and Council Tax payers live.
- That one of those buildings in London includes a strip club.
- CPF investments in fracking, oil and gas that cause the Climate Crisis, but that also in the future will have little value for the fund (stranded assets).
- Companies such as WONGA, tobacco companies, gaming, gambling, FOBT companies, armaments manufacturers.
- Investments in those companies that use techniques such as profit shifting, to avoid paying UK Corporation Tax on their sales and business carried out in this country (such as Netflix, Amazon, Apple, Google, Twitter, Facebook)

Many other pension funds have a Members AGM. But we do not. We think pensioners of the fund here in Cheshire should have an AGM.

We also ask for (member only) discussion open webpages to share our views and promote discussions. The CPF Committee, management, and London investment managers, will then know what CPF members think.

If you are a Cheshire CPF pensioner, please join us, we would welcome your support.

NOTES FOR EDITORS

Cheshire Pension Fund <http://www.cheshirepensionfund.org> covers nearly 100,000 members, from nearly 300 councils and organisations in the wider Cheshire area, including Cheshire West and Chester, Cheshire East, Warrington BC, Halton BC, and housing associations, academies, parish councils, police staff, and school staff. The Pension Fund Committee are listed on page 4 of the latest Annual Report at <http://www.cheshirepensionfund.org/about-the-fund/investments/annual-reports/>

In 2018 a group of pensioners from our local government fund formed their own independent CPF Members Forum. www.cpfmembersforum.com

- We believe that Cheshire Pension Fund as a local government fund, should invest in a more socially responsible and sustainable manner, and consider the future of the people of Cheshire.
- We ask our fund to hold an AGM for members, and to provide webpages for members of the fund to share their views.
- We would like to see more openness by our fund, and more local investing.

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