

CPF MEMBERS FORUM

www.cpfmembersforum.com

PRESS RELEASE 18 (February 2021)

FOE Report : Divesting to protect our pensions and the planet

A national report published today (23 February 2021) by Friends of the Earth shows that billions of pounds remain invested in fossil fuels through LGPS local government pension funds, EVEN THOUGH three-quarters of councils have declared a climate emergency. <https://www.divest.org.uk/councils>

Key national findings by FOE

- The national analysis based on the end of the 2019/20 financial year reveals that local government pensions hold investments of nearly £10 billion in fossil fuels.
- That is £1,450 invested in fossil fuels for each of the 6.8 million members of the LGPS in the UK, and roughly 3% of the total Scheme value.

Key FOE data for Cheshire Pension Fund

- All four of the major councils in CPF have declared Climate Emergencies.
- FOE data shows a Fossil Fuel investment of over £63 million
- This represents 1.04% of the fund valued at £6.1 billion
- FOE list the following “Top Ten” investments
 - BHP £7,585,915
 - ExxonMobil £5,546,728
 - Glencore £5,029,508
 - Mitsubishi £4,663,619
 - Chevron £4,538,521
 - Royal Dutch Shell £4,219,414
 - EOG Resources £3,351,246
 - Mitsui £3,275,877
 - ConocoPhillips £2,646,145
 - BP £2,641,904
- FOE also list the following funds and investments sources for CPF
 - Blackstone Partners Fund
 - Bluebay Total Return Credit Fund
 - Direct fossil fuel investments
 - Henderson Total Return Bond Fund
 - L&G FTSE RAFI All World Equity Index Fund
 - L&G Infrastructure Fund
 - LGPS Central Global Equity Fund
 - M&G Alpha Opportunities Fund
 - Private Equity Investments

CPF Members Forum comment:

We welcome every report on how LGPS funds invest. www.cpfmembersforum.com

In PRESS RELEASE NO 17, in January 2021, we questioned how the UK was investing in health during the pandemic, and for the recovery in 2021. Pension funds are major investors. We showed how CPF had few “Direct Investments” classified as Health, mostly US Health insurance companies.

We suggest our CPF fund could invest better, here and now, for PPE, vaccines, and laboratories, as well as for a 2050 Net Zero future to avoid the climate crisis.

In 2021 the UK will host the COP26 conference

We specifically questioned a CPF new direct investment in Rio Tinto of £3.6million made in September 2020 just as Rio Tinto actions achieved global condemnation:

- <https://www.theguardian.com/business/2020/sep/11/rio-tinto-ceo-senior-executives-resign-juukan-gorge-debacle-caves>

That direct investment was significant because CPF had just published a lengthy 21 page “carbon footprint” on fund investing and the Climate Crisis.

The CPF carbon footprint contained little real detail, did not mention Rio Tinto or Australia, did not contain the word “divestment”, and had no timescales or targets. <https://www.cheshirepensionfund.org/news/2020/09/15/climate-change-risk/>

We said the contrast between CPF statements and actions could not be more blatant. This national FOE study supports contradictions by all pension funds.

NOTES FOR EDITORS

Cheshire Pension Fund www.cheshirepensionfund.org has over 100,000 members, from 300 councils and organisations in the councils of Cheshire West and Chester, Cheshire East, Warrington, and Halton, and local housing associations, academies, parish councils, police staff, and school staff. Part of Council Tax paid by every household will also pay for the “Employers Contribution”.

The fund is managed by a Committee of ten nominated local councillors, who could decide to invest locally in low-cost housing, green energy, IT networks and health, to provide employment, boost the economy, and improve the future for our families.

Our Members Forum www.cpfmembersforum.com queries why our pension fund continues with so little regard to ESG (Environmental, Social and Governance) factors. We ask why CPF invest in areas such as fracking, oil and gas, properties mostly in the rest of England, payday loan companies, tobacco, gambling, gaming, social media, and the FAANGs that avoid UK Corporation Tax. CPF Investments are listed at <https://www.cheshirepensionfund.org/members/about-us/how-we-manage-our-investments/investment-holdings/>

CPF have declined to publicise our Forum in the 2021 annual Cheshire Chat newsletter for pensioners. So to give us a stronger voice with the fund, we ask all members of Cheshire Pension Fund to join our independent CPF Members Forum. It is free, confidential, and has no commitment. (Current employees all welcome !)

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