COUNTY COUNCIL – 9 FEBRUARY 2021

QUESTIONS FROM MEMBERS OF THE PUBLIC

Note: Questions 1 and 2 relate to a similar issue. The answer to these questions is set out after question 2 below

1. The same or similar questions were asked by:

Debbie Smith, Eastbourne, East Sussex
Ann Newton-Marcial, Eastbourne, East Sussex

Since June 2020, there have been a growing number of emails sent to the County Council objecting to the East Sussex Pension Fund's investments in companies complicit in abuses of human rights and violations of international law. These violations relate to Israel's settlements on occupied land which are illegal under international law; the International Criminal Court prosecutor is investigating their construction as a war crime.

The chair of the Pension Committee has made some helpful comments, stating that Responsible Investment Principles are 'at the heart of all investment decisions and provides increased transparency and monitoring of these investments.' Also, he acknowledged that companies mentioned in the questions 'operate and profit from stolen land.' Any pension fund operating with ethical and responsible principles would surely be divesting from such companies.

A commitment by the Pension Committee chair indicated that the fund will divest from some of the complicit companies in due course. These companies are included in the United Nations list of companies involved in Israel's illegal settlement economy. The United Nations High Commissioner for Human Rights (OHCHR) has undertaken a lengthy and extensive process of engagement with these companies. The pension fund has investments in 13 of these companies. They are: Bank Hapoalim, Bezeq, Booking.com, Delek Group, Expedia Group, First International Bank, General Mills, Israel Discount Bank, Mercantile Discount Bank, Mizrahi Tefahot Bank, Motorola, Paz Oil Company and TripAdvisor. This is far more than any other local government pension fund. The vast majority have no investments in these companies at all.

- Please will you specify which of the above 13 companies you plan to divest from and provide a timetable for divestment?

Elbit Systems produces a range of banned weapons including cluster munitions, weaponised white phosphorus and flechette projectiles. It produces the weaponised Hermes 450 and 900 drones. All these weapons have been used repeatedly to target the civilian population in Gaza. The Norwegian state pension fund has divested from Elbit. So have numerous other funds such as Dutch pension giant ABP, Sweden's largest pension fund Första AP-Fonden, Danish bank Danske Bank, AXA, Folksam (Sweden), ABN AMRO and Europe's largest bank HSBC. Norges Bank, the central bank of Norway, excludes Elbit Systems due to 'particularly serious violations of fundamental ethical norms.' There are only 3 local government pension funds with investments in Elbit. This company is clearly regarded as toxic, a company that any pension fund with ethical and 'responsible' policies would keep clear of.

- Will the Pension Committee confirm that the fund intends to divest from Elbit Systems, and if so, please state when?
- Could the Pension Committee chair confirm that the Fund's investments in Elbit Systems and the 13 companies named on the UN Human Rights Office list run counter to the Fund's 'Responsible Investment Principles?'
- Do you accept that, regardless of whether these assets are pooled or held in segregated portfolios, it is the pension fund's obligation, in line with its own 'Responsible Investment Principles,' to ensure that it does not invest in companies operating from stolen land?
- Do you intend to implement screening and due diligence procedures to ensure that scheme members' money is not used to support the violation of international law relating to other companies not mentioned here?

2. Question from Nicholas Swabey, Eastbourne, East Sussex

As a retired teacher from the Eastbourne area, myself and a number of colleagues were angered and dismayed to hear that our pension funds have originated from investments which have been made in the occupied Palestinian territories (oPts) by Israeli armed forces. It is even more disturbing that East Sussex are only one of three local government pension funds that have done this and in particular, the Israeli arms manufacturer Elbit who specialise in producing banned weapons including cluster bombs, weaponised white phosphorous projectiles as well as lethal Hermes 450 and 900 drones which have resulted in the deaths of many adults and children in both Gaza and the West Bank.
I gather our pensions are invested in 13 other companies, all of which are active in the occupied Palestinian territories . This occupation is illegal under international law and the International Criminal Court prosecutor is investigating Israel for both the illegal settlements as well as war crimes.
The 2020 High Court decision backed members in their campaign to get Councils such as East Sussex to disinvest in these companies.
This is a serious issue and it would be inappropriate and immoral if these investments were to continue. In fact, unless I, and others who have chosen to write to you about this situation do not have a satisfactory outcome, then I will contact the NEU, the Teachers Pension company, many other members and also the press.
My questions to the Chair of the Committee are:
1) Will the Pension Committee confirm that the fund intends to divest from Elbit Systems along with the 13 other companies involved in the occupied territories (list available). If so, when will this happen?
2) Would you clarify whether the Fund's investments in these 14 companies goes against the 'Responsible Investment Principles'?
3) How will the Fund monitor , screen and implement due diligence procedures to ensure that member's money is not used to support the violation of international law?
Frankly, I and others are really surprised about these investments and will not accept excuses that the Funds cannot be sold off. Many other Funds have achieved this both at home and abroad and the issue will not go away; in fact, the momentum for change has only just started!

Response by the Chair of the Pension Committee to questions 1 and 2 above

The response to these questions draws upon much of what was explained in the response to the questions raised at the December Full Council. The Pension Fund Committee has not met in the intervening time since the last Full Council, so policy and strategy has not changed in relation to this area.

The East Sussex Pension Fund (ESPF; the Fund) as at 31 December 2020 held exposure to 4 of the 112 UN listed companies within its passive equity mandate and has no exposure to Elbit Systems. Of these four companies only one is recognised as a “Business enterprises involved in listed activities” - Expedia group which is an American online travel shopping company for consumer and small business travel. The remaining three are recognised as “Business enterprises involved as parent companies”, these are Booking Holdings Inc, General Mills and Motorola.

In addition, the Fund held exposure to three of the same companies within its Smart Beta passive manager; one being Expedia and the other two Booking Holdings Inc and General Mills.

The UN list of 112 companies was submitted to the Human Rights Council under resolution 31/36 on Israeli settlements in the Occupied Palestinian Territory in February 2020. This Database is subject to an annual revision and its likely a number of these companies will have been removed.

The Funds Smart Beta Investment Manager Storebrand carry out up to date screening of the companies they are exposed to and as at quarter 1 of 2021 Storebrand’s data provider Sustainalytics (Human Rights Radar) used for screening does not capture any of these companies.

According to Amnesty International both the travel companies were considered to be profiting by listing properties and attractions within Israeli settlement. These companies are not currently listed within the whoprofits.org database. Who Profits from the Occupation is “an independent research centre dedicated to exposing the commercial involvement of Israeli and international corporations in the ongoing Israeli occupation of Palestinian and Syrian lands”. General Mills has a plant producing baking products at one settlement. Some business activities within the occupied territories contribute more to legitimise the situation than others. After screening and analysis by the sustainability team these three companies do not meet the degree of severity that would trigger an exclusion. It is worth mentioning however that there are currently 38 companies who are on the exclusion list due to Human Rights and International law reasons including Elbit Systems which is specifically referred to in the questions.

ESPF does not directly invest in any specific company; instead it invests through a combination of holdings in passive index funds and active fund managers. As the owner of an index fund, we are passive recipients of the index and we can’t pick and choose the constituents of the global or regional indices and there is no way in which the fund can influence the holdings in that index or divest from an asset without divesting from the whole strategic asset allocation. Ordinarily, passive funds are viewed as a cheap and efficient way to gain global equity market exposure with reduced volatility and this is actively encouraged by the Ministry of Housing

Communities and Local Government guidance as an intrinsic part of investment strategy for Local Government Pension Scheme (LGPS) funds due to the lower costs associated with investing in these funds compared to active mandates.

To divest from these four companies would require ESPF to disinvest from its entire passive mandate. This means we would need to sell the exposure to over 6,000 companies worth over £400m to remove four companies from the portfolio worth £0.7m. This is a major strategic decision and will result in significant final cost to the fund which is not in the interests of the funds beneficiaries to take such a decision solely on these grounds, as it's is not good stewardship of capital to take this action.

At the Pension Committee meeting in November 2020, the Committee instructed officers and investment consultants to carry out a detailed analysis as to the remaining passive mandate holding where these companies are still held as to whether this strategic allocation is a good fit for the portfolio in light of the regional exposure, income generation and Responsible Investment beliefs that the Pension Fund holds. This will be discussed in detail at the March Pensions Committee. At this stage we cannot speculate what the Committee will agree in relation to this part of the Pension Fund strategic asset allocation. Responsible investment principles will apply to any strategic change or manager change within the fund, but this is much further reaching than a single topic.

In making any investment decision the Fund will seek to follow its published Investment Strategy Statement and its Statement of Responsible Investment (RI) Principles, to balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries where any non-financial factor is taken into account. Responsible investment is a substantial factor in driving returns alongside other investment considerations and the fund has outperformed its benchmark in all its reporting periods. The fund is not an "Ethical" or "unethical" investor, it is a responsible steward of capital where we identify and mitigate financial risks and we are guided by the legal principle of fiduciary duty where our primary function is to pay pensions to the fund beneficiaries when they become due. The objectives of the pension fund RI policy are to reduce the likelihood that Environmental, Social and Governance (ESG) issues and Climate Risk will negatively impact asset values and returns and inform stakeholders on the action the Fund is taking to address these risks. The Fund's investment policy cannot be influenced by outside parties or by personal, political or moral beliefs. The Funds Responsible Investment Principles are that the fund is an active asset owner with the aim to influence governance through voting and engagement. This is an integral part of what makes a business sustainable, successful and a suitable investment target. Engagement through voting can effect corporate change and influence businesses to derive a broader social benefit.

One of the engagement groups the Fund is a member, LAPFF (Local Authority Pension Fund Forum), have been liaising with Palestinian and Jewish interest groups in respect of 17 companies operating in the region where member funds, including ESPF, have some investment. The LAPFF Research and Engagement partner has written to, and arranged several engagement meetings with, those companies including requests of human rights impact assessments of these companies. There has been push back from some of the companies on the grounds that the UN list is political and existing legal requirements ensure human rights compliance. LAPFF will continue to engage.

All the fund's active managers screen companies in which they invest on the Fund's behalf and the Fund itself carried out significant due diligence in appointing the manager where it appoints direct. Due to changes in investment regulations in 2016, all LGPS funds are required to invest via investment pools. The Fund is part of the ACCESS LGPS investment pool. Where the Fund is invested through the pool into an asset class or investment manager the fund reviews due diligence approaches taken by the pool to ensure managers have appropriate screening in place and consider ESG factors when investing the funds money.

Touching on the unique item in the second question. ESPF is an LGPS Fund (Local Government Pension Scheme). The ESPF does not administer pensions to Teachers. Teachers Pensions are provided through the Government run Teacher's Pension Scheme which is not associated with either East Sussex County Council (ESCC) or ESPF. ESPF is a Pension Scheme set up through legislation specifically for employees eligible for the LGPS within ESCC; eligible employees of District, Borough, City and Parish Councils within the County; non-teaching staff within Schools and Academies within the County; admitted bodies as approved by the Pensions Committee; or bodies approved by the Secretary of State.

If members of the ESPF would like to discuss investment strategy, or how their pension is administered then we would suggest that they correspond with the Fund where detailed explanations of the regulatory environment in which the Fund is run can be clearly explained. Decisions relating to Pension Fund investments are not the decisions of ESCC's Full Council.

Note: Questions 3 to 7 relate to the East Sussex Pension Fund exposure to fossil fuel investments, the response to climate emergency and related issues. The answer to these questions is set out after question 7 below

3. The same or similar questions were asked by:

Eveline Tijs, Hastings, East Sussex
Anna Newington, St Leonards on Sea, East Sussex
Andrea Needham, Hastings, East Sussex
Adam Rose, Eastbourne, East Sussex
Emily Price, Hastings, East Sussex
Dinah Morgan, Lewes, East Sussex
Polly Charlton, Brighton
Sofie Greatorex, St Leonards on Sea, East Sussex
Virginia Vilela, St Leonards on Sea, East Sussex
Jason Evans, Brighton
Barbara Dye, Seaford, East Sussex
Antony Gordon, Heathfield, East Sussex
Sally Phillips, Hastings, East Sussex
Michael Gilbert, Brighton
Cherry Lavell, Polegate, East Sussex

Tessa George, Lewes, East Sussex
Caroline Donegan, Ticehurst, East Sussex
Michael Bernard, Bexhill-on-Sea, East Sussex
Esme Waldron, Brighton
Sue Fasquelle, Lewes, East Sussex
Lynda Russell, St Leonards on Sea, East Sussex
Teresa Rowe, Bexhill, East Sussex
Mary-Jane Wilkins, Lewes, East Sussex
Oliver Darlington, Lewes, East Sussex
Sarah Rigg, Brighton
Serena Penman, Lewes, East Sussex
Richard Boyle, Eastbourne, East Sussex
Dinah Pryor, Seaford, East Sussex
Fiona Kennedy, St Leonards on Sea, East Sussex
Iain Sheard, Battle, East Sussex
Duncan Armstrong, Lewes, East Sussex
Tim Beecher, Brighton
Lisa Mackenzie, Battle, East Sussex
Sue McDonnell, St Leonards on Sea, East Sussex
Sarah Ward, Hastings, East Sussex
Gary French, St Leonards on Sea, East Sussex
Angie Lynn, Brighton
Ian Bunch, Hastings, East Sussex
Jassy Denison, Newhaven, East Sussex
Susan Murray, Lewes, East Sussex
Nicola Reese, Saltdean
Rosemary Sawtell, Lewes, East Sussex
Jane Wigan, St Leonards on Sea, East Sussex
Andrew Durling, Pevensey, East Sussex
Mike Cope, Bexhill on Sea, East Sussex
Hugh Dunkerley, Brighton
Jiva Masheder, Brighton
Nicky Bishop, Battle, East Sussex
Barbara Echlin, Bexhill, East Sussex
John Hughes, Hove
Steve Penfold, Hove
Andrea Corso, St Leonards on Sea, East Sussex
Carol Mills, Eastbourne, East Sussex
Melissa McClements, Brighton
Katie Gaster, Polegate, East Sussex
Julia Turner, Brighton
Rosie Sauvage, Hove
Frances Witt, Lewes, East Sussex
Sally Attwood, Lewes, East Sussex
Carol Turner, Eastbourne, East Sussex
Su Knight, Eastbourne, East Sussex
Suzy Miller, Forest Row, East Sussex
Ian Green, Forest Row, East Sussex
Manuela McLellan, St Leonards on Sea, East Sussex
Andy Moore, Hastings, East Sussex

Richard Pike, Forest Row, East Sussex
Kathy Bor, St Leonards on Sea, East Sussex
Ella Seabrook-Wafer, Lewes, East Sussex
Fiona MacGregor, St Leonards on Sea, East Sussex
Philippa Beagley, Hastings, East Sussex
Alick Mackenzie, Battle, East Sussex
John Gray, Bexhill-on-Sea, East Sussex
Polly Gray, Bexhill-on-Sea, East Sussex
Adriana Pavel, Battle, East Sussex
Nicky Beele, Eastbourne, East Sussex
Mark Havers, Brighton
Sarah Macbeth, St Leonards on Sea, East Sussex
Andrew Wedmore, Robertsbridge, East Sussex
Luke Burrough, Brighton
Grant Angus, Brighton
Christina Thair, Brighton
Jane Johnson, Eastbourne, East Sussex
Arnold Simanowitz, Lewes, East Sussex
Liz Abbott, Bexhill-on-Sea, East Sussex
Adrian Briggs, Lewes, East Sussex
Adrian Ross, Lewes, East Sussex
Claire Finn, Hove
Nicola Harries, Brighton
Helen Jenney, Lewes, East Sussex
Sarah Hazlehurst, Brighton
Maria Preciado, Brighton
Jennifer Howells, Horam, East Sussex
Anna Jasinski, Hastings, East Sussex
Robert Robertson, Lewes, East Sussex
Christopher Hemsley, Saltdean, East Sussex
Tobias Jackson, Hastings, East Sussex
Annabel Faraday, Fairlight, East Sussex
Adrienne Hunter, St Leonards on Sea, East Sussex
Bev Ward, St Leonards on Sea, East Sussex
Julia Hilton, Hastings, East Sussex
Angie Ingman, St Leonards on Sea, East Sussex
Simon Beal. Hastings, East Sussex
Anne Fletcher, Seaford, East Sussex
Dave Carey-Stuart, St Leonards on Sea, East Sussex
Edward Richardson, Ringmer, East Sussex
Jane Wright, Lewes, East Sussex
Susan Tyler, St Leonards on Sea, East Sussex
Susan Churchill, Hastings, East Sussex
Gill Tremenheere, Hastings, East Sussex
Helen Frederick, Seaford, East Sussex
Tony Harris, Brighton
Ian Barry, Brighton
Anne Massey, Hove
Heather Atchison, Brighton
Gabriel Carlyle, St Leonards on Sea, East Sussex

Gabrielle Lewry, St Leonards on Sea, East Sussex
Nic Carter, Hastings, East Sussex
John Enefer, Hastings, East Sussex
Rebecca McCray, St Leonards on Sea, East Sussex
Alison Cooper, St Leonards on Sea, East Sussex
Alan Chapman, Lewes, East Sussex
John Lynes, St Leonards on Sea, East Sussex
Linda Jeal, Hastings, East Sussex
Ann Kramer, Hastings, East Sussex
Paul Homer, St Leonards on Sea, East Sussex
Anthony Bradnum, St Leonards on Sea, East Sussex
Marie Casey, Hastings, East Sussex
Chris Petts, St Leonards on Sea, East Sussex
Jilly Hall, Hastings, East Sussex
Lucy Paffard, St Leonards on sea, East Sussex
Sharon Moore, Hastings, East Sussex
Luke Manders, Lewes, East Sussex
Holly Rose, Hastings, East Sussex
Anna Weatherston, Hove
Erica Smith, St Leonards on Sea, East Sussex

Does the East Sussex Pension Committee accept that, because burning fossil fuels is the key driver of global warming, the goals of the Paris Climate Agreement (to keep global warming to 'well below 2 °C', pursuing 1.5°C) cannot be achieved without the rapid alignment of the big fossil fuel companies with a 1.5°C pathway?

By a 1.5°C pathway we mean one that: (a) yields a 50% or better chance of keeping global warming below 1.5°C; and (b) does so without assuming the future creation of global scale 'negative emissions technologies' (ie. ones that remove carbon dioxide from the atmosphere) that don't currently exist.

Members of the public have now submitted this question over 200 times (to the October and December Full Council meetings) without receiving an answer.

4. Question from John Hopkinson, Eastbourne, East Sussex

The time for polite terminology is long past. This country's leaders, and ESCC leaders, committed some time ago to a policy of Divestment of Fossil Fuels. It has failed. Please do not rush to exculpate yourselves - the policies have failed.
Our banks and pensions consortiums and other organisations continue to invest in fossil fuels without let or hindrance from authorities like you. The people know that governments lie to them. But for the ESCC to declare a "climate emergency" in October 2019 and yet do little or nothing to actively pursue cutting back on the carbon footprint potential of all the tools in its box is not just an apathy, it is a deception.

All of you are human beings - most of you have children and perhaps many grandchildren. Go now and explain to those children what you are doing and ask them if it is enough. I challenge you. For it is their future, not yours. Forget that you are members of a grand organisation that calls itself by some supercilious title, you are parents of children who you are condemning by your inaction to lives of hardship.

We do not know what is ahead. We can only act on the science, and all the science over recent decades has pointed to the increasing damage that will occur as a result of climate change. Damage not just to humans but to all living creatures on our world. And it is accelerating. These things will happen, it is already too late to stop some of the effects. We shall tip beyond that point of 1.5deg over pre-industrial levels that has for some time now been the tipping point for all nations to observe and act to prevent.

ESCC has rejected calls to publicly commit to divesting the East Sussex Pension Fund from fossil fuels - oil, coal and gas industries. I ask what is now the ESCC's commitment to that "climate emergency"? And what is its agenda to achieve that commitment?

5. Question from Juliet Russell, Hastings, East Sussex

As a Sussex resident I am compelled to ask you why you are still investing in fossil fuels and furthermore register my complaint at you doing so

6. Question from Gemma McFarlane, Seaford, East Sussex

ESCC declared a climate emergency in October 2019.
The burning of fossil fuels is the main driver of global warming.

Why is the ESCC Pension Fund still investing in oil and gas when there are better alternatives both in terms of financial returns and climate change mitigation?

President of the European Investment Bank, Dr Werner Hotter said in January "Europe needs a serious departure from past use of fossil fuels in order to meet climate targets. To put it mildly, gas is over".

7. Question from Michael Ryan, St Leonards on Sea, East Sussex

As a member of the ESCC Pension Fund I am gratified at some progress in reducing Pension Fund investment in fossil fuels in line with the Council Climate Emergency declaration -but the process is incomplete. I do not want any members money at risk in Pension Fund investment in this declining asset that contradicts the scale of the crisis and the emergency declaration

The Biden government in the USA is now forcefully confirming this latter point.

Response by the Chair of the Pension Committee to questions 3 to 7 above

Firstly, in response to question 3 where 135 individuals sent the same question through. The question asked in December was whether as Chair of the Pension Committee I can give a single example of an oil and gas major that is currently aligned with a 1.5ºc pathway, as we stated in December, the research shows that there are none, despite some bold moves by European companies. According to the Transition Pathway Initiative five oil and gas majors are on track to align with the

Paris emissions pledges, three of which are getting closer to a 2ºc climate pathway by 2050 but additional measures are required.

Question 3 is a new question asking if we accept that big fossil fuel companies need rapid alignment to enable the 1.5 °C pathway. The relationship between the burning of fossil fuels and climate change is well established and accepted, as is the reliance of the global economy on these fuels for 80% of its primary energy, and indeed the failure of most Paris signatories to align their nationally determined contributions (NDCs) with its objectives. The Fund can only respond to the physical policies and guidance that emerge from Government because of its Climate commitments, while identifying the associated risks and opportunities to its portfolio. The inevitability of an energy transition and the risks and opportunities associated with that is strongly entrenched in the Fund's Responsible Investment document. The Fund's engagement policy is supportive of this alignment and we are actively trying to influence companies that are not aligned with the Paris agreement to ensure they are on a suitable transition pathway. While the Pension Fund recognises a rapid increase of scale and actions are required to reduce the risks of climate change it is also conscious of the challenge of this and that a just transition is integral to many of the global commitments adopted by countries within the Paris agreement. It is necessary to ensure the transition is shaped by shifts in service, labour markets, changes in technologies and that the transition is equitable within the workforce, regions, communities and industries; a rapid alignment may not be consistent with this and the transition needs to be managed across the world through policy.

East Sussex Pension Fund (ESPF; the Fund) have a policy of Engagement and not Divestment. The Minister for Pensions gave a very clear steer in a recent speech to the Professional Pensions Investment Conference about how he expected Funds to deal with climate-related risks. The approach that he outlined explicitly discourages blanket divestment as a broad strategy, favouring instead strong company engagement, the adoption by Pension Funds of absolute and intensity based Greenhouse Gas metrics, mandated The Task Force on Climate-related Financial Disclosures (TCFD) reporting, and triennial portfolio climate scenario testing, while encouraging Funds to embrace opportunities associated with decarbonisation and green infrastructure.
https://www.gov.uk/government/speeches/pension-schemes-and-climate-related-risks

ESPF is already pursuing all of these avenues. The Fund's exposure to fossil fuels has fallen from 6.6% of AUM since 2015 to 1.9% at the end of December 2020. The Fund has outperformed its benchmarks over the last 5 years and enjoys strong solvency levels.

The decision by East Sussex County Council (ESCC) to declare a climate Emergency is separate to the Pension Fund strategic investment decisions. The ESPF is not owned by ESCC, ESCC it is the Administering Authority for the Fund and one of 128 employers within the Fund. The ESPF has an obligation to provide defined pension benefits as laid down in statute and political or personal views cannot be taken into account in managing these assets. The 2016 Local Government Pension Scheme (LGPS) investment regulations require the Pension Fund to invest in a wide variety of investments and invest via an LGPS investment pool. Under the new regulation's, manager selection sits with the investment pool rather than with the individual Pension Fund. The Fund does not directly invest in any specific company; instead it invests through a combination of holdings in passive index funds and active fund managers. The Fund's principal fiduciary responsibility is to provide pensions to the fund beneficiaries. To this end, it must have attention to adequate diversification of risk, limiting of fund volatility and provision of sufficient income from its holdings through dividends to pay the pensions. As a responsible investor it must reconcile the unfolding energy transition with its need for income to pay those pensions and it has an overriding interest in maximising the investable set of companies in its portfolio. Climate Risks are therefore managed at a whole portfolio level via Manager diversification and via engagement by the Institutional Investors Group on Climate Change (IIGCC).

The Fund's recent investment decisions clearly illustrate its attention to managing the risks and opportunities associated with climate change and the energy transition and it has taken substantial measures this year:

ESPF was one of the first LGPS Funds to undertake regular carbon foot-printing of its assets. It has recently taken ground-breaking action by placing half of its index fund exposure into an Index Fund which specifically seeks to invest in a manner consistent with achieving the long term goals of the Paris Agreement, tilting to green revenues, removing the traditional fossil fuel energy sector and its supply chains, replacing them with one focused on Climate Solutions. Additionally, ESPF has invested a quarter of its equity exposure in Impact Funds which profit from solving Climate and Sustainability related challenges.

ESPF is a United Nations' Principles of Responsible Investment (PRI) signatory, a member of the Climate lobbying organisation(s) IIGCC/CA100+ and has undertaken to report in line with the strengthened 2020 UK Stewardship code and promote reporting aligned with the TCFD. It encourages all its Active Managers to align their engagement with the objectives of the IIGCC.