

Responsible Investing – Environmental Focus

Are you concerned about where the Trustees invest the Scheme's funds? Can we invest responsibly, to try and protect the planet, and still make enough money to pay pensions? We certainly think so.

Why does it matter?

From a purely financial perspective, your Trustees work hard to make sure that the scheme's funds grow so as to pay pensions now and in the future. For more than 2 years now we have also been looking for strong investments which focus on environmental, social, and governance (ESG) considerations; all with a tilt towards managing climate risk.

We feel that this matters because only companies which look to the future, and their impact on our planet, are likely to be sustainable in the longer term. It is these companies that adapt to our changing environment that should generate a good rate of return. So responsible investing should help the scheme and contribute to managing climate risk.

What are we doing?

We asked our professional advisers to monitor developments in the investment market and to let us have options. The number of investment funds with a specific ESG focus has grown in recent years. Your Trustees therefore recently agreed to look to shift some of the scheme's assets into an ESG fund with a climate focus.

Our Investment Manager and Legal & General will come back to us soon with suggestions and a specific recommendation as to the type of fund in which we should make a partial investment.

Focus on the future

It will take some time to move our investments and even longer to see how well they do in generating the funds we are after. But we are convinced that this is the right way to go and will continue to try and invest responsibly in the years to come.