

## South Yorkshire Pensions Authority sets a Carbon Neutral By 2030 Goal

Members of the South Yorkshire Pensions Authority (SYPA) at its meeting on 30<sup>th</sup> September agreed to set a goal for the Authority's investment portfolios to become carbon neutral by 2030.

The Authority was considering the annual review of its policies in relation to responsible investment issues including its Climate Change Policy. These documents set the framework through which the Authority considers Environmental Social and Governance issues in its investments.

SYPA was one of the first local government pension scheme administering authorities to adopt a climate change policy and to adopt the reporting requirements of the Task Force on Climate Related Financial Disclosure (TCFD).

Members of the Authority in considering changes to the policy framework have decided to set a goal of achieving net zero carbon emissions by 2030 and have asked the Authority's officers to report back to them with an action plan on how this will be achieved within 6 months.

The Authority's Chair Councillor Mick Stowe in welcoming the unanimous decision of the Authority said:

"We have acknowledged for some time that climate change is the biggest risk facing the value of our scheme members' pension savings, this is the next step along the road to effectively managing that risk. We cannot do this on our own and we will be looking to bring our colleagues within the Border to Coast Pensions Partnership on this journey with us".

In addition to this members of the authority agreed to commission work to develop a comprehensive impact reporting framework which will cover all of the fund's investments in order to provide a more comprehensive picture of the overall level of emissions from the portfolio alongside a range of other impacts related to the Sustainable Development Goals. This work will be commissioned later this financial year with a view to producing the first comprehensive report on the position at the end of the 2020/21 financial year. Commenting on this Councillor Stowe said

"Pension Funds rightly get criticised for the level of emissions and other impacts from their listed equity investments. However, these only represent around half the story and alongside setting a net zero goal we need to be able to tell the full story. This work will enable us to provide a more balanced picture which properly reflects both the positive steps we are already taking such as significant investment in renewable energy and our more traditional investments in listed companies."

## Notes for Editors

South Yorkshire Pensions Authority is the organisation responsible for the administration of the Local Government Pension Scheme in South Yorkshire. It is responsible for the running of a pension fund valued at over £9bn with around 160,000 members drawn from nearly 550 different employers across the County.

The Authority is made up of 12 Councillors drawn from the 4 Metropolitan Councils in South Yorkshire, Barnsley, Doncaster, Rotherham and the City of Sheffield.

The Authority is one of the 11 Local Government Pension Scheme administering authorities that have pooled their investment assets through the Border to Coast Pensions Partnership which is based in Leeds. Under the pooling arrangements in place within the Local Government Pension Scheme SYPA remains responsible for setting out its policies for addressing environmental social and governance issues. Currently around 60% of the Fund's assets are within pooled structures provided by Border to Coast.

The papers considered at the meeting of the Pensions Authority are available here:

<https://meetings.southyorks.gov.uk/ieListDocuments.aspx?CId=174&MId=4333&Ver=4&zTS=C>

Note that in considering the information provided the Authority's members resolved to change the references to 2050 to 2030. Final versions of the policy documents will be published on [www.sypensions.org.uk](http://www.sypensions.org.uk) in due course.

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