

Media Release

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## **Shropshire County Pension Fund reveals its carbon footprint**

Shropshire County Pension Fund has become one of the first in the country to report on the carbon footprint of its £2 billion investment portfolio. Shropshire County Pension Fund has published its Climate Risk Report, which reveals that the carbon footprint of its equity investments is 13% below the general market, represented by the FTSE All World Index which covers more than 3,000 companies in 47 countries.

The Fund is the pension scheme for more than 50,000 members across 200 employers, including Shropshire Council, Telford & Wrekin Council, Town & Parish Councils, Shropshire & Wrekin Fire Authority and a range of other employers in Shropshire. The Fund is administered by Shropshire Council.

James Walton, Director of Finance Governance & Assurance at the Council and Scheme Administrator of the Shropshire County Pension Fund, said "The report is no more than a starting point, but nevertheless confirms that Shropshire County Pension Fund has a good baseline from which to manage the risks presented to its investment portfolio from climate change. Our priority remains our financial duty to pay the pensions of our 50,000 members and to do this we must continue to ensure fund assets are well diversified and resilient when faced with many risks including the fundamental and increasing impact of climate change.

We know that climate change is a hugely important issue for our employers and members, so it is reassuring to see that already the Fund's investments have a lower carbon footprint than the benchmark. The Pensions Committee is embarking on an extensive piece of work to review our approach, create a Climate Strategy and explore what steps the Fund can take to reduce investment risk and further reduce its carbon footprint."

The new report published by the Shropshire County Pension Fund follows recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a blueprint for climate reporting which represents best practice in the investment industry. Its publication follows an independent and in-depth review of the climate risks of the Fund's investment portfolio.

The report shows that the Fund has less exposure to companies with fossil fuel reserves and those exploiting coal reserves than the general market and reveals that it has more investment with companies who use clean technology than the general market.

The Fund has a widely diversified investment strategy to reduce risk, and invests in five different equity funds, all of which already have a lower carbon footprint than the general market index.

The publication of the report will be followed in due course by the publication of a Climate Strategy including a Climate Stewardship Plan.

For more information and to see the report visit:

<http://www.shropshirecountypensionfund.co.uk>