

When telephoning please ask for: *Kieran Pearson*



To: Cllr Mark Kemp-Gee | Chair Hampshire Pension Fund

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Dear Mark

OPEN LETTER TO HAMPSHIRE PENSION FUND PANEL AND BOARD

I am writing to you as the Regional Secretary of UNISON. You will be aware that UNISON is the largest trade union in the UK and has thousands of members within the Hampshire Pension Fund.

Recently our members have been lobbying the fund calling for a commitment that the portfolio of investments being made in their name will become aligned to the Paris Agreement of limiting global temperatures to a 1.5C temperature rise by 2050. They have also been asking for increased transparency and accountability within the fund through the creation of a permanent trade union seat and the restoration of the number of meetings of the fund board to seven a year.

Many other local government pension funds have shown that a green investment policy can be pursued whilst protecting the financial position of the fund. It's becoming increasingly clear that any pension fund that does not seriously consider climate change within its investment policy is leaving its funds, and the future retirement plans of workers, at systemic risk. At the same time, the fund would effectively be losing investment opportunities offered by the global transition towards a low carbon economy.

We welcome the fact that climate change has been discussed at the pension scheme board level, however, our members remain concerned that the board and the Responsible Investments Sub-Committee are yet to set in motion a strong strategy or timetable for transitioning the fund away from carbon-intensive industries. Our research has shown that unfortunately that the Hampshire Pension Fund remains in the top quartile of LGPS funds when it comes to investing in fossil fuel companies.

UNISON is clear that there can be no priority of greater importance than preserving our natural environment. There can be no retirement for our members on a burning planet.

Hampshire County Council has also recognised this by declaring a climate emergency in 2019. The council's climate change 2020-2025 strategy, though welcome, unfortunately makes no mention of divesting the Hampshire Pension Fund from fossil fuels.

It is vital that we take this step to divest to meet the needs of the growing climate emergency, the impact of which is being felt by communities around the world. I am therefore writing today to call on The Hampshire Pension Fund Panel and Board to accelerate its work to divest from fossil fuels. This needs to be done in a structured and

managed way to ensure a just transition, to help tackle the climate emergency, and to protect UNISON and fund members' retirement investments as we move towards a greener economy.

UNISON is therefore calling upon the Pension Panel and Board and the Responsible Investments Sub-Committee to:

- Make a public commitment this year to align the Hampshire Pension Fund investment strategy with the aim of keeping the global temperature rise this century to no more than 1.5 degrees Celsius above pre-industrial levels by 2050
- Produce a detailed strategy and agree a timetable to diversify investments in line with the above by the first quarter of 2022
- Create a trade union seat on the HPF board to represent the interests of current & former employees
- Restore the number of Board meetings open to the public to seven per year to allow for greater scrutiny and accountability
- Maintain a paper copy of the annual statement for those that do not request to opt-out, as well as online access
- Allow all members of HPF, regardless of where they live, to make deputations to the Board so that all members of the fund can have their voices heard.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Torrance', with a stylized, flowing script.

Steve Torrance

Regional Secretary | UNISON South East

CC: Members of the Responsible Investments Sub-Committee
responsible.investment@hants.gov.uk