

# Investing in Support of the Transition in Emerging Economies

We make this statement following an investor ministerial roundtable held at Church House with the UK Pensions Minister, Guy Opperman MP, ahead of the Net Zero Delivery Summit at Mansion House on the 11<sup>th</sup> May 2022. Climate change is an urgent global issue requiring action by all. As long-term institutional investors we have a role in supporting real economy emissions reductions within the sectors and companies in which we invest and the economies they operate in.

As UK Pension Funds we:

- Recognise the important role that asset owners can and should play in supporting emerging economies in achieving their climate targets.
- Are committed to better understanding the needs of emerging economies and the climate transition finance that will be required by governments and companies.
- Are committed to working together, in line with our fiduciary responsibility, to consider how we may scale investments in support of the climate transition in emerging economies. Whilst we can invest individually, and a number of us already do, we are keen to explore if greater impact and scale of commitments can be achieved by developing a shared understanding of the need, opportunity and mechanisms to provide such finance.
- Are committed to working with the UK COP26 Presidency and other International Financial Institutions to consider the most practical and effective way to target and scale the funding that could be provided from UK Pension Funds, either through individual commitments or the creation of a joint commitment in line with our respective investment strategies.
- Recognise the urgency of the transition and are committed to working together ahead of COP27 in Egypt, to be in a position by the COP to outline our response.

We would like to acknowledge the support of the UK Pensions Minister for this work and are grateful for the encouragement to collaborate in the context of the UK COP26 Presidency.

Supported by:

**Church of England Pensions Board**, £3.7bn AUM with 41,000 members

**Border to Coast Pensions Partnership**, c.£55bn AUM on behalf of 11 Local Government Pension Funds, representing 2,600 employers and over one million members

**Brunel Pension Partnership**, c.£35bn AUM on behalf of 10 administering local authority partner funds with over 700,000 members

**BT Pension Fund**, £57bn AUM with 275,000 members

**Environment Agency Pension Fund**, £4.8bn AUM with 38,500 members

**Nest**, £24bn AUM with 11 million members

**Northern LGPS**, c.£57bn AUM on behalf of three Local Government Pension Funds, representing 1,250 contributing employers with over 800,000 members

**Legal and General Mastertrust**, £18bn AUM with 1.5 million members

**Legal & General Workplace Pension Plan and Stakeholder Pension Plan**, £30bn AUM with 2.2 million members

**Railpen**, £37bn AUM with 350,000 members

**Universities' Superannuation Scheme Limited**, £83bn AUM with 475,000 members

**West Yorkshire Pension Fund**, £18bn AUM with 300,000 members

**Total funds AUM: £400bn**

**Total funds members: 18.3 million**