

Response to Public Question for the Pensions Authority Meeting 9th February 2023

Question from Mr G Henshaw

Mark Carney, former governor of the Bank of England has said that 'the vast majority of oil and gas reserves are unburnable if global temperature rises are to be limited to below 2degreesC.

Some insurance companies and banks have also raised the issue of oil and gas assets being stranded at some point in the near future. Is the Pension Fund recognising this in its latest Investment review?

The Strategy Review currently being carried out for the Pension Fund the results of which will be reported at the March meeting is working to a brief which includes assessing the impact of different strategy options on the likelihood of achieving the Authority's climate goals. However, it is important to recognise the distinction between the Authority's role in setting strategy and determining what proportion of the Fund should be invested in each type of asset which is the largest contributor to performance and the role of investment managers in determining which individual assets to invest in.

Question from Ms J Cattell

South Yorkshire pensions holds bonds in Bank Leumi Le Israel, Bank Hapoalim B.M. Mizrah Tefahot and Altice all companies that are named on the United Nations list of companies linked to illegal Israeli settlements. The extensive human rights impact of settlements on the human rights of Palestinians has been well documented in successive reports of the Secretary General of the United Nations The violations of human rights associated with the settlements are pervasive and devastating, reaching every facet of Palestinian life.

In your Responsible Investment Policy 2022 you state that well governed assets should show, "Respect for the human rights of the communities with which they interact and their various stakeholders"

SYPA working through Border to Coast and the Local Authority Pension Fund Forum has a policy of engagement to influence the behaviour of companies on key issues.

In view of your belief in protecting human rights I would like to know what engagement activity has taken place with the four companies named above, what progress has been made and what time scales are you working to in achieving a satisfactory response of withdrawal from Israeli Settlements in Palestine.

This question arrived at 4pm on 7th February and a full answer requires the gathering of information from Border to Coast and other sources. Therefore a full answer will be sent to the questioner and copied to Authority members after the meeting once all the information has been gathered.

