

**Climate action plan**

**Calendar year**

**Quarter 1 2022**

Agree decarbonisation pathway and targets that align the beliefs and ambitions of the Investment Sub Committee (ISC) . The ISC agreed target reductions in absolute carbon emissions of the Fund’s listed equity holdings of at least: <ul style="list-style-type: none"> <li>• 23% from June 2021 baseline by 2024</li> <li>• 57% from June 2021 baseline by 2030</li> </ul>	✓
Communicate agreed targets and aspirations to investment managers	
Instruct advisers to investigate high level approaches to climate aware passive equity investing	✓
Publish Climate Action Plan	✓

**Quarter 2/3 2022**

ISC receive training on strategic options to decarbonise the Pension Fund’s active equity portfolio, including setting targets for existing managers and considering sustainable and impact equity and/or UN Sustainable Development Goals (SDG) alignment	
ISC receive report on high level climate aware passive equity options	

**Quarter 3/4 2022**

Receive implementable proposal on carbon aware passive equity portfolio	
ISC review and approve the Pension Fund’s initial report complying with the requirements of the Task-Force on Climate-Related Financial Disclosures (TCFD)	
Engage with existing active equity managers around decarbonisation approaches	
Engage with private asset managers to improve carbon data provision for portfolios and increased ESG integration	
Engage with ACCESS on sustainable/impact equity managers (based on Committee preferences following Q2 discussion)	
Consider draft UK Stewardship Report ahead of submission to the Financial Reporting Council (FRC)	
Implement carbon aware passive equity in Q4 2022	

**2023**

ISC consider proposals to include fixed income portfolio including Multi-Asset Credit (MAC) and credit portfolios in climate reporting and target setting	
ISC receive report on availability of data and approach on alternatives assets	
ISC consider proposals for impact investing	
Continuation of the work with active managers to implement carbon reduction measures and increase the sustainability of the portfolios they manage	



## 2024

ISC consider feasibility of including Scope 3 within emissions reduction reporting and targets	
ISC consider proposals to extend climate reporting and target setting to private asset classes	
ISC review progress made to date against targets and reset short-term and long-term targets	
Pension Committee consider appropriateness of adopting “net zero by 2045” or earlier aspiration as a firm long-term target (replacing “2050 or earlier”)	
Continuation of the work with active managers to implement carbon reduction measures and increase the sustainability of the portfolios they manage	