



## Addendum by Councillor Burgess

### Pensions Committee

25 September 2024

### Item 7.2: Business Plan and Budget Update

Adds to recommendations;

1.2 Notes the decision by this committee at its last meeting to request

*'A proposal as to how LPF could do more to support real world transition including consideration of reduction in carbon metrics of fund portfolios and supporting the energy transition'*

1.3 However, further notes the 67% increase in shares in TotalEnergies held by LPF between October 2023 and March 2024 (*The Scotsman*, 9/8/24) which significantly increased the carbon metric of fund portfolios rather than supporting the energy transition;

1.4 Notes that LPF voted against TotalEnergies on 'Climate/strategy progress, Director re-appointment and Governance/remuneration' at its recent AGM, as reported in LPF 'Engage' ezine Summer 2024;

1.5 Notes that LPF has an existing policy not to invest in new share issues from companies not aligned with the 1.5 C target of the Paris climate change agreement;

1.6 Therefore requests that, for internally managed funds, LPF will not purchase any more shares in those fossil fuel companies listed in the 'Holdings' report for the December 2023 Pensions committee, at least until the proposed LPF 'Climate Transition Action Plan' is presented to committee.

Moved by: **Councillor Steve Burgess**

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### Pensions Committee

25 September 2024

### Item 7.5: Approach to Responsible Investment – Climate Change (Next Steps)

Add to recommendations;

1.2 Broadly welcomes the officer proposals in this report at 4.14 'Doing More:

- (i) Enhancement of reporting to improve the narrative and transparency,
- (ii) Consideration of further commitments,
- (iii) Investigation of potential investment opportunities;

1.3 Endorses the officer proposal 'to replace the ambition with a commitment to use TPI assessments to identify and mitigate the risk of exposure to sector 'laggards', particularly those high impact companies (including Oil & Gas) on the Climate Action 100+ focus list;

1.4 Requests that this reframing of how TPI assessments are used, identifies laggards within the population of high-emitters covered by Climate Action 100+, as those not reaching a level 5 Management Quality score and is clear how Carbon Performance and Transition Plan assessments will be used for such laggards;

1.5 Requests that reporting to committee on engagement with sector laggards includes full information on what changes in company policy and operations this engagement has achieved in practice;

1.6 Endorses the proposal to develop a 'Climate Transition Action Plan' in order to achieve net zero portfolio emissions and requests that this is brought forward within the suggested timeframe of 12 months;

1.7 Welcomes 'continued consideration of a broad range of climate transition investment opportunities' as LPF 'recognise that the world is currently not on track to limit global warming to 1.5°C above pre-industrial levels';

1.8 Requests an update on all above matters the next pensions committee in December

**Moved by: Councillor Steve Burgess**