



“IT’S TIME FOR CHANGE”: AN OPEN LETTER TO THE SHROPSHIRE COUNTY PENSION FUND COMMITTEE

19 May 2020

Dear Committee Members

We are Fossil Free Shropshire, a grassroots coalition of organisations and members of the public working to persuade Shropshire County Pension Fund (SCPF) to commit to full divestment from fossil fuels.

We are calling on the SCPF to divest for two principal reasons:

The Financial Case:

The fossil fuel industry is in serious decline, characterised by ongoing volatility affecting oil, gas and share prices as demand shrinks at an unprecedented rate. Mark Carney, former Governor of the Bank of England, has warned that fossil fuels risk becoming **stranded assets**.

This could render any pension funds invested in them **worthless**.

By contrast, the **renewable energy** sector offers predictable returns, **massive future growth** and greatly improved financial stability.

[MSCI performance analysis](#) from 2010 to the present shows that funds which exclude fossil fuels perform as well, and often better, than those which include them.

The Ethical Case:

The planet is warming at a rate unprecedented in human history, causing floods, fires and droughts that threaten the survival of our species.

Pension funds must take their ethical duties seriously by divesting from **polluting fossil fuels** that are pushing the planet’s eco-systems beyond the point of no return.

Pensions are about saving for the future, not destroying it.

We call on Shropshire County Pension Fund to play its part in creating a safe and sustainable environment for our children and grandchildren to flourish in.

The list of UK institutions that have already committed to divestment is growing every day. It includes universities such as Oxford, Durham and Warwick; local councils such as Reading, Sheffield and Derby; and pension funds such as Cardiff, Southwark and Lambeth.

Shropshire Council has declared a climate emergency and pledged to be net zero by 2030. Given this, it is counterproductive for the county’s pension fund to remain invested in fossil fuels.

We are delighted to learn that Legal & General Investment Management has announced the creation of a fossil free fund in response to client demand.

We know that Shropshire County Pension Fund aspires to be at the forefront of responsible investment, and accordingly hope that the fund will take this opportunity to move out of fossil fuels when the new fund is launched.

The world is changing. We hope that Shropshire County Pension Fund will do the same and we urge the committee to discuss divestment as soon as meetings are able to resume. Thank you for your time and ongoing work. We look forward to hearing from you.

Yours faithfully,
Clare Cooper & Jamie Russell
On behalf of FOSSIL FREE SHROPSHIRE