

Question to Somerset Council Pension Fund Board 6th October 2023

I am very pleased that David Vickers, Chief Investment Officer at Brunel Pension Partnership, is attending the meeting of Somerset Pension Fund Board, as my question relates to both organizations.

The International Energy Authority* has for long been warning about the need to stop extracting fossil fuels now. Last week the IEA reminded us that the path to limiting global warming to 1.5 °C has narrowed further, and that the alternative needs to be clean energy growth.

Coupled with the dangers to the environment from continuing to invest in fossil fuels is the added danger from the financial value of these investments suddenly collapsing - the so-called Minsky moment. This is all the more likely to happen when investment managers follow outdated and over-optimistic climate models that are not in line with what most climate scientists are predicting when it comes to global heating.

If such a scenario were to be triggered in relation to the investments in an oil or gas company by Brunel Pension Partnership or Somerset Council's Pension Fund Committee, who would ultimately be responsible for any financial losses incurred? What part does our Pension Fund Board play in examining this possibility?

Sigurd Reimers

Somerset Council Pensioner

*Source: [The path to limiting global warming to 1.5 °C has narrowed, but clean energy growth is keeping it open - News - IEA](#)