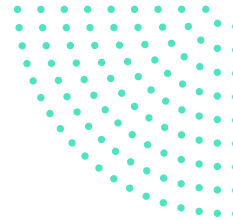




# Smart Pension Connect Webinar

Frequently asked questions





## **Could you please confirm that you will not invest in fossil fuels or fossil fuel companies – and if you do, what's the timetable for divestment?**

The trustees of the Smart Pension Master Trust consider sustainable investing to be the cornerstone of the investment process. The climate crisis and the risks it poses to people and planet are considered throughout the investment decision making process.

It's why we have committed to the [Make My Money Matter campaign](#), agreeing to make sure that our default investment strategy is net zero emissions before 2050, and that emissions are more than halved by 2030. We've also adopted a Climate Policy that details a commitment to tackling the climate emergency.

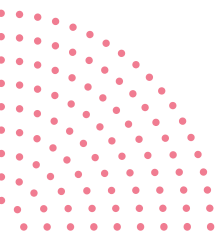
Part of this policy is to consider all of the tools and approaches available to the pension scheme to reduce fossil fuel financing and [support the Paris Agreement](#).

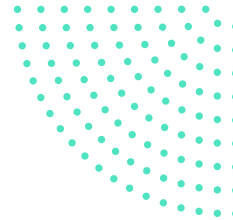
## **Will you agree to remove any funding from military, ammunition and arms companies and those that supply them?**

Our Responsible Investment Policy states that we act to exclude investments in companies that are involved in the manufacturing of controversial weapons (chemical weapons, biological weapons, nuclear weapons, anti-personnel mines and cluster munitions), or that violate the UN Global Compact standards on human rights, labour, the environment and corruption.

## **If all the good people disinvest from polluters, doesn't that just mean that bad, greedy investors will pick up those shares 'on the cheap'? Won't those investors then encourage the companies' boards to pursue profits no matter what the cost?**

It's for exactly this reason that our current approach doesn't include blanket divestment from fossil fuels. We are long-term investors on your behalf, and we actively engage with companies that we think can be doing better for the environment and society. By using our vote, we can bring about change across the industry and tackle climate change both effectively and collectively.





## **Some of my employees have asked about the lack of ethical investment options with Smart Pension. My thinking was that you were doing more on the ESG investments. Is that right? What are the plans – if any – going forward?**

First of all, we do offer an ethical option – the Smart Ethical Fund. But the difference here comes down to personal values and the confusion between “ethics” and “sustainable investing”. Obviously the two are intrinsically linked, but sustainable investing typically relates to a strategy where investments are concentrated in companies with sustainable business practices – for example, investing in companies that build wind farms.

Ethical investing typically relates to investing in line with personal values – for example, avoiding investing in companies that manufacture alcohol. In terms of our future plans, we have committed to investing in impact investments, which are investments that provide benefits to local communities and/or directly tackle some of the world's biggest problems (including climate change).

## **Does Smart Pension have a completely fossil fuel free investment option?**

We do not currently have a fossil fuel free investment option.

## **If the pension fund will not commit to divestment, will it consider reducing the carbon exposure of the fund?**

We have committed to the Make My Money Matter campaign, agreeing to make sure that our default investment strategy is net zero emissions before 2050, and that emissions are more than halved by 2030.

[Read our climate pledge](#)

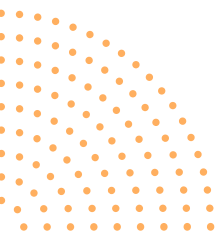
## **Are there any plans to increase investment by the pension fund to help facilitate a low carbon economy?**

We have committed to the Make My Money Matter campaign, agreeing to make sure that our default investment strategy is net zero emissions before 2050, and that emissions are more than halved by 2030.

[Read our climate pledge](#)

## **Need help with your Smart Pension account?**

You can find answers to frequently asked questions by [visiting our help centre](#).





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