

## Cambridgeshire Pension Fund - Climate Action Plan

### Calendar Year

#### 2024

##### Quarter 1 2024

ISC consider proposals for including asset classes beyond listed equity in climate reporting and target setting	✓
ISC consider incorporating an additional metric, SBTi (Science Based Targets Initiative) alignment, into the Fund's climate reporting, effective 30 June 2024, along with Transition Capacity Analysis	✓
ISC receive report on availability of data and approach on alternative assets	✓
ISC consider proposals for UK impact/ natural capital (Timberland/ Social and affordable housing)	✓
Review progress against targets and appropriateness of metrics	✓
Consider draft UK Stewardship Report ahead of submission to FRC	✓
ISC consider feasibility of including Scope 3 within emissions reduction reporting and targets	✓

##### Quarter 2 2024

Submit approved UK Stewardship Report to FRC	✓
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##### Quarter 3 2024

Use insights and recommendations to shape discussions and support climate change reporting (TCFD) - awaiting outcomes of consultation	
Re-submit UK Stewardship Report to FRC	
Reconsider including Scope 3 data in Fund's climate-related targets after completing 30 June 2024 assessment, if there is evidence that data quality is sufficiently robust	

##### Quarter 4 2024

ISC consider proposals for UK impact/ natural capital (Timberland/ Social and affordable housing)	
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Follow up engagement with private asset managers to fill gaps in carbon data availability and quality while challenging reporting metrics to understand what managers are doing to improve net zero alignment	
Analysis of climate metrics as at 30 June 2024	
Review of interim decarbonisation targets and in-scope assets	
Consider setting more granular targets across: - Sustainable/Climate solutions - Transition alignment - Stewardship	
ISC consider proposals for UK impact/ natural capital (Private equity/property)	
Submit approved UK Stewardship Report to FRC	

## **2025**

### **Quarter 1 2025**

Consider potential connections to biodiversity/natural capital such as enhancing reporting to cover biodiversity and nature footprinting in relation to Timberland	
Continue liaising with active managers to implement carbon reduction measures and increase the sustainability of the portfolios they manage	

## **Prior Calendar Years**

### **2022**

#### **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	✓
Prepare and publish reporting in line with the Task-Force on Climate-Related Financial Disclosures (TCFD) disclosure requirements for the 2021-22 Fund annual report	✓

### **2023**

#### **Quarter 1 2023**

Agree managers and portfolio structures for climate aware passive investing	✓
Analysis of climate metrics as at 30/06/22	✓

#### **Quarter 2 2023**

Review progress against targets and appropriateness of metrics.	✓
Continue to engage with existing active equity managers around decarbonisation approaches - as required	✓
Engage with private asset managers to improve carbon data provision for portfolios and increased ESG integration	✓
Implement carbon aware passive equity in Q2 2023	✓
ISC consider proposals for impact investing in private markets - Infrastructure	✓

#### **Quarter 3 2023**

Engage with ACCESS on sustainable/impact infrastructure managers (based on Committee preferences following Q2 2022 discussion)	✓
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**Quarter 4 2023**

Analysis of climate metrics as at 30/06/23	✓
ISC consider proposals for sustainable/impact investing in listed equity as part of equity portfolio review	✓