



The **co-operative** bank

Co-operative Pension Scheme (Pace)

Responsible Investment Summary

(2018/19)

Many of our members want to know their pension savings are being invested responsibly, while at the same time providing security for their futures. This summary provides the highlights from our 2018/19 investment report, letting you know how the Trustee of Pace has carried out its Responsible Investment Policy over the past year. The [full report](#) and our [policy on responsible investment](#) are both available on the Pace website.

Investing responsibly is one of our key aims. When we look for companies to invest in, we consider the factors that could affect their long-term sustainability – in particular the impact of climate change.

In brief:

- We've updated our Responsible Investment Policy (and our statement of investment principles, which governs how we invest our assets) to recognise that climate change in particular is a financial risk to Pace and other pension schemes;
- We agreed to make some changes to the default investment strategy for Pace DC, to bring it more in line with our Responsible Investment Policy. In June 2019, we moved members into a new investment fund where the people running it actively consider environmental, social and corporate governance factors before deciding how much to invest in different companies (and where they won't invest in companies that persistently fail to address climate change);
- We made a number of investments in affordable housing; and
- We continued to apply an exclusions list where possible to prevent investment in companies that manufacture or distribute controversial weapons, or those in the oil, gas or mining industries that have poor environmental records, or those based in countries with poor human rights records.

If you want to find out more about what we've done over the year, and also how our investment managers have engaged with the companies they invest in on our behalf (in particular on climate change), please take a look at our detailed [Responsible Investment Report](#), which is available on the Pace website.

