

Dear USS Trustees,

There is no doubt that anthropogenic carbon emissions caused by the burning of fossil fuels is a key driver of climate change. We have a decade to drastically reduce our carbon emissions according to the Intergovernmental Panel on Climate Change if we wish to avoid an environmental catastrophe. This can only be achieved through a material reduction in the use of fossil fuels.

USS currently invests circa £1 billion in fossil fuel¹ companies. The fossil fuel reserves owned by these companies are at risk of becoming surplus to future demand, and the investments themselves have been described as likely to become 'stranded assets'.² Furthermore, USS' current investments in fossil fuel companies are supporting activities that pose a material risk to our planet. This element of USS' investment strategy appears to be contrary to the USS Trustees' claim that the 'scheme is run on a sustainable basis'.³ The environmental and financial risks of investing in fossil fuels have been recognised by many universities which have divested their own funds. It therefore seems contradictory for them to invest the pension contributions of their staff in a scheme which continues to invest heavily in fossil fuels and carbon intensive industries.

We, the undersigned, believe that fossil fuel investments are not a sustainable financial investment to fund our members' future pensions. Nor is their use environmentally sustainable for our planet. We call on USS to divest completely from the fossil fuel industry over the next 48 months and make investments into non fossil fuel energy companies and energy schemes that are both economically and environmentally sustainable.

University of Bristol
Universities & Colleges Union - University of Bristol
Bristol SU (University of Bristol's Students' Union)

¹ We consider a 'fossil fuel company' to be a company that makes at least 5% of its annual income from the extraction of fossil fuels.

² Mark Carney, former Head of the Bank of England, 30/12/19 [Accessed 08/02/2020: <https://www.theguardian.com/business/2019/dec/30/firms-must-justify-investment-in-fossil-fuels-warns-mark-carney>]

³ Quote from Sir David Eastwood in 'How the Board works' 1:58 [Accessed 31/01/2020: <https://www.uss.co.uk/how-uss-is-run/views-from-uss/board-matters-meet-the-board>]