

Investment Consultant Brief

The Surrey Pension Fund Responsible Investment Sub Committee, RISC, asks the Investment Consultant to consider various potential net zero dates and trajectories such that fiduciary duty to the members is not compromised and compliance with Government guidance is maintained.

In answering this question, the areas to be reviewed should include, but not be limited to, the following:

- Clearly define the methodology used to arrive at the conclusions for the potential choice of any net zero date, highlighting assumptions made and the limits to the accuracy of any predictions.
- Model investment scenarios and implications, including implications on the potential investment universe and risk to returns, for each of the years 2030, 2035, 2040, 2045 and 2050.
- Include potential trajectories and staging-post dates and targets on route to the ultimate net zero date.
- Have at least one option aligned to the Paris Agreement to limit global warming to well below 2, preferably 1.5, degrees Celsius, compared to pre-industrial levels.
- Consider the risk and return implications of not transitioning to a net zero date.
- Review the above issues by asset class such that diversification can be maintained.
- Identify and discuss any constraints to the target setting derived from Government guidance in relation to pooling, our investment partners and the products on offer.

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