

Wiltshire Pension Fund
Scheme Membership
Responsible Investment Survey
Results
January 2024

Introduction

- In January 2024, we conducted a survey of the scheme membership on responsible investment issues.
- This survey was launched for three main reasons:
 1. Engagement with the scheme membership, to raise awareness and to continue the dialogue. Although members' benefits are guaranteed, and therefore unaffected by investment returns, they may still have opinions on how the investments are managed;
 2. So that the results could be considered by the Pension Fund Committee alongside other important information when deciding the direction of travel for the Fund, in the context of setting the Fund's Responsible Investment Plan.
 3. To check in with the membership, after the last survey which was conducted in March 2021, to ensure that members voices are heard and to monitor how member views are evolving.

Who was surveyed and who responded

Total responses: 2,914

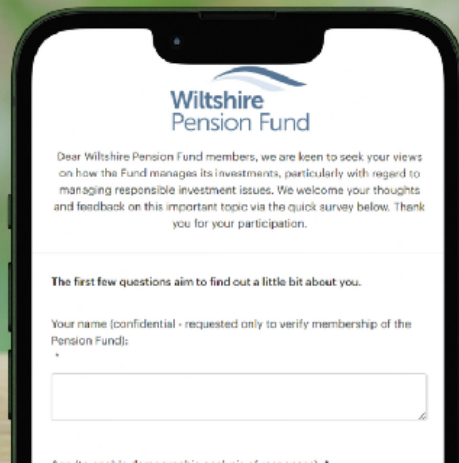
	Total number	Contacted	% Contacted	Responded	% of those contacted who responded
Active members	23,549	23,549	100%	944	4.0%
Deferred members	40,669	13,511	33%	581	4.3%
Pensioner members	21,240	7,303	34%	1,389	19.0%

2024 vs 2021

- Total responses: 2,914 – **30% more** than last time (2,251)!
- Fewer active members responded at 944 (1,095 last time).
- More deferred members responded at 581 (413 last time).
- Many more pensioner members responded at 1,389 (743 last time) – and a huge response rate of 19% (13.5% last time).
- Response rates were broadly in line at c.4% for active and deferred members.

How did we encourage responses?

- The survey was publicised via the following methods:
 - Emailing all members for whom we have email addresses.
 - Using Wiltshire internal comms to encourage all staff to complete the survey.
 - Emailing all HR contacts at every employer organisation to ask them to make staff aware of the survey and encourage them to complete it.
 - Reminders were sent in order to draw members attention to the survey.
 - A dedicated information post was created to explain more about the survey, our approach to investment, and to encourage members to respond. This link was provided in all our communications about the survey: [The Big Survey 2024! - Wiltshire Pension Fund](#)

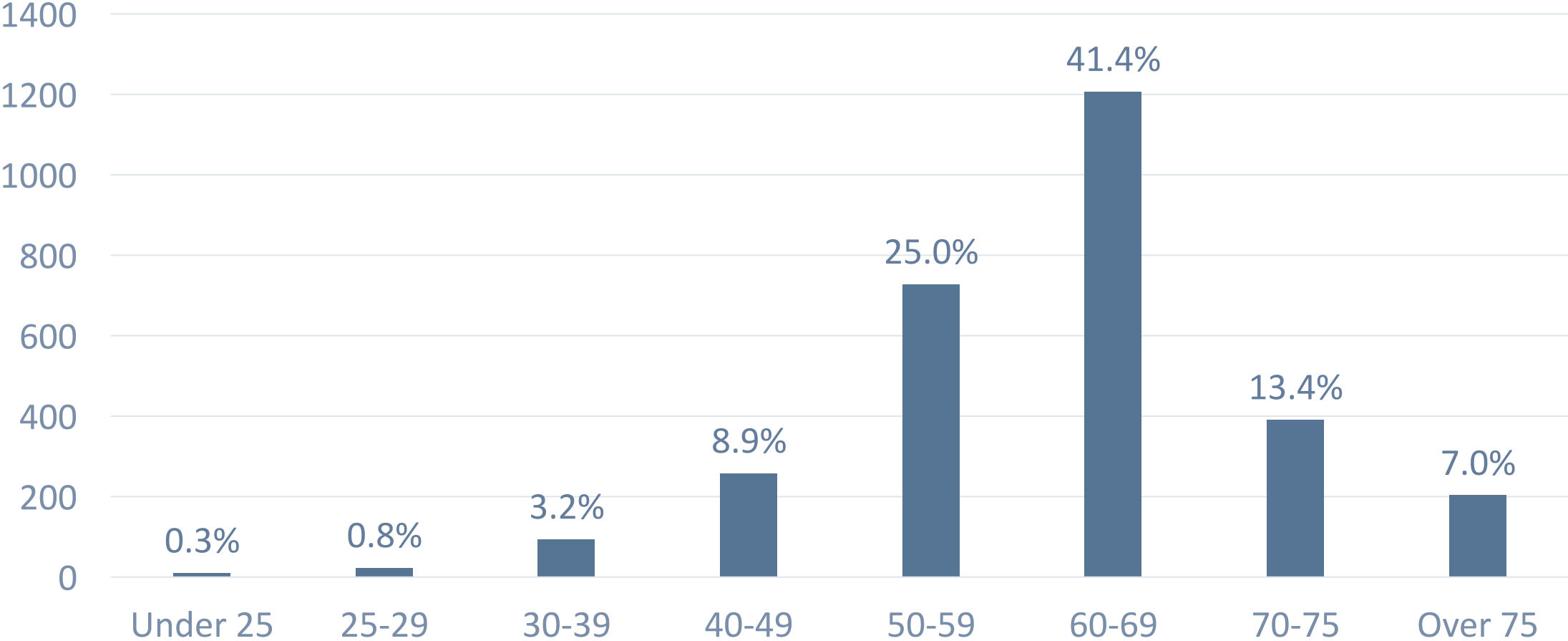


Wiltshire
Pension Fund

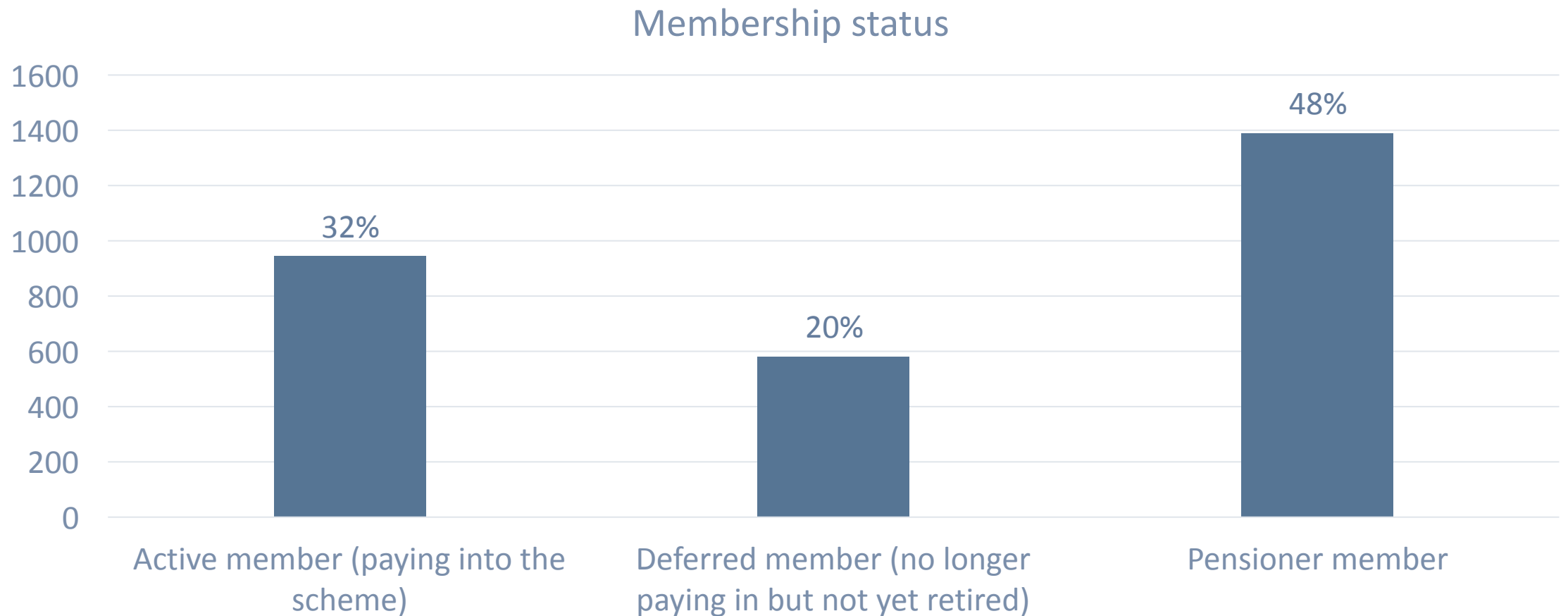
WE WANT YOUR FEEDBACK!

Demographic Analysis – age profile

Age of respondents

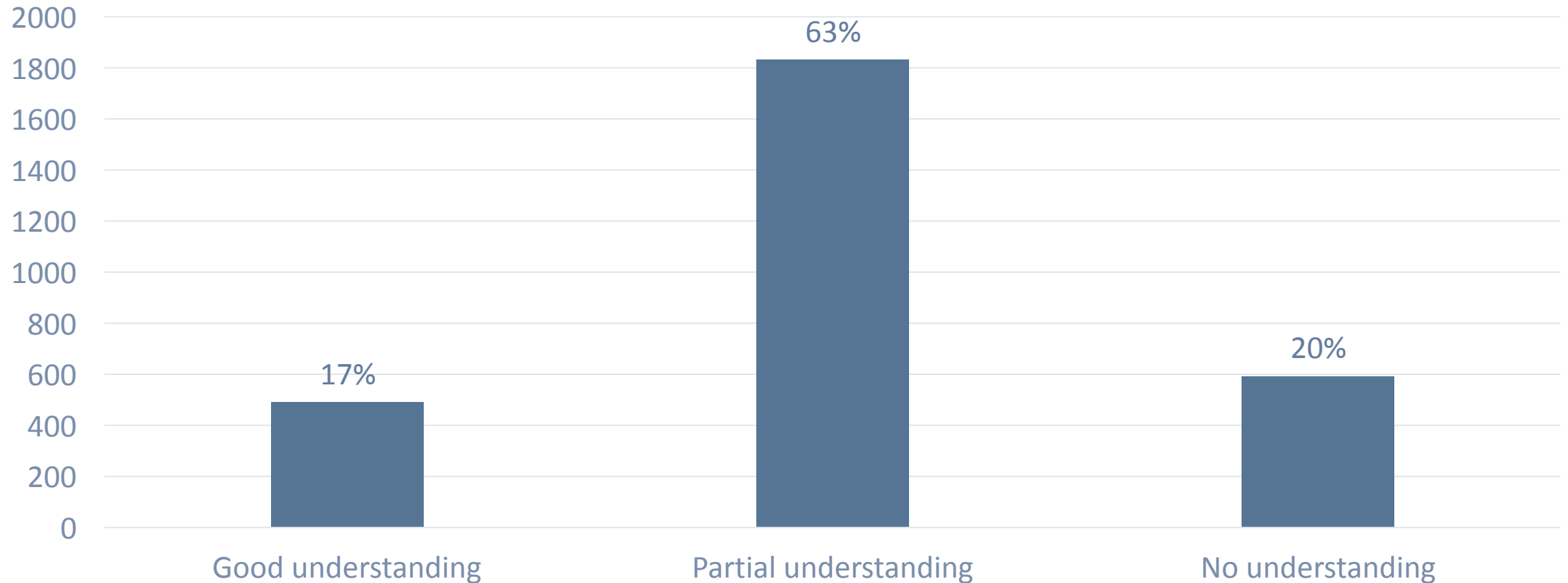


Demographic Analysis – membership status



Understanding of Responsible Investment

Level of understanding of Responsible Investment



Who responded?

- The response rate was incredible, and we were blown away by how much our members care about responsible investment.
- As mentioned above, several more pensioners responded compared to last time.
- This affected the age profile of responses, with the largest group by far (**41.4%**) being those in the 60-69 age bracket.
- Based on last time and the fact that we can reach all active members through the employer organisations, we would have expected more responses from active members. For future surveys we will investigate ways to boost this engagement.
- Only **33** individuals under the age of 30 responded. We are actively working on engagement initiatives with our younger members.

Views on ESG / climate risk



Views on ESG / climate risk / sustainable assets

Q: Do you believe that ESG issues present a financial risk to the Pension Fund's investments?

A: Yes/maybe **59%** No/don't know **41%**

Q: Do you believe that climate change in particular presents a financial risk to the Pension Fund's investments?

A: Yes/maybe **71%** No/don't know **29%**

Q: Is it important to you for WPF to invest in sustainable and/or low carbon assets?

A: Yes/maybe **85%** No/don't know **15%**

Q: Are you aware that WPF has a net zero by 2050 target?

A: Yes **27%** No **73%**

Views on ESG / climate risk

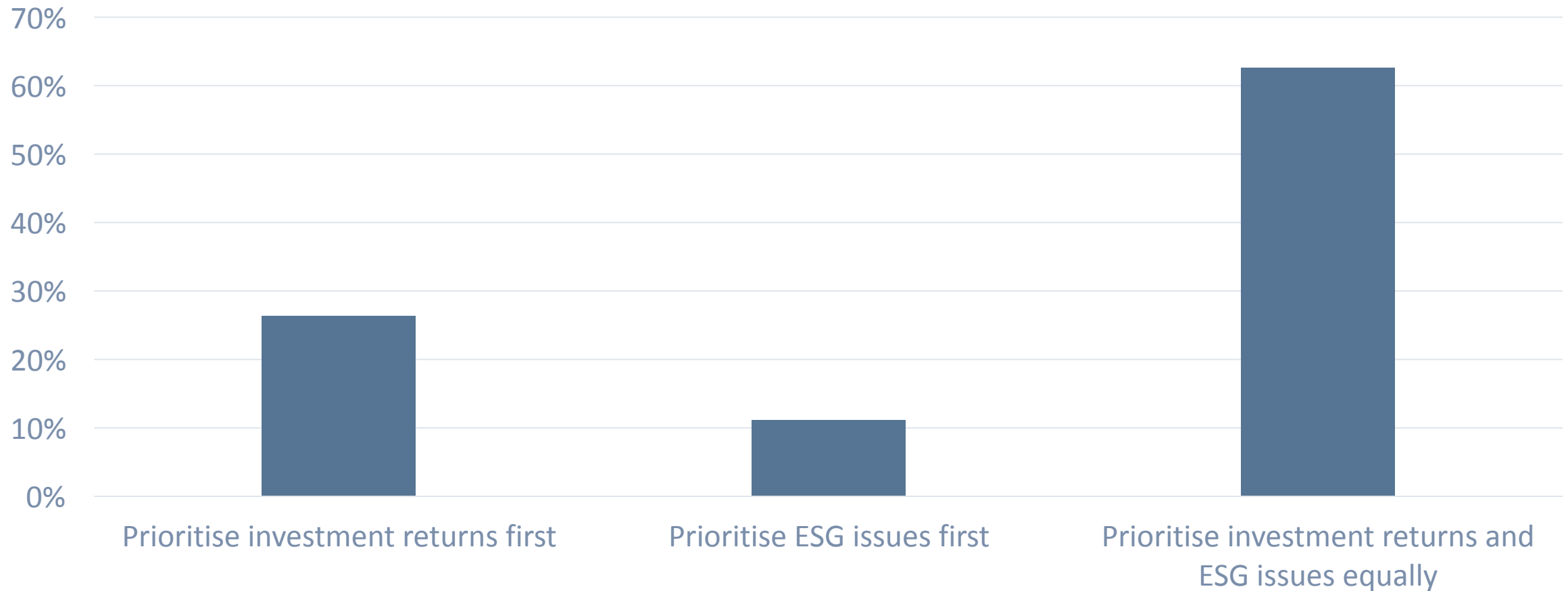
- Members clearly believe that climate change is or could be a risk to the investments. It is also important to them that the Fund invests in sustainable and/or low carbon assets – this is more important to them than how strongly they believe ESG issues or climate change could present a financial risk. These results are consistent with last time.
- We asked a new question this time – did members know we have set a net zero by 2050 target? Only **27%** responded “Yes”, in spite of several comms around this message. We will continue to ensure this is clearly communicated.

Response:

We will continue to communicate climate-related news, case studies, and decarbonisation progress. We will also consider other ways that we can get this important message across which are accessible and easy-to-understand, incorporating messaging that this work is carried out in the Fund’s best financial interests.

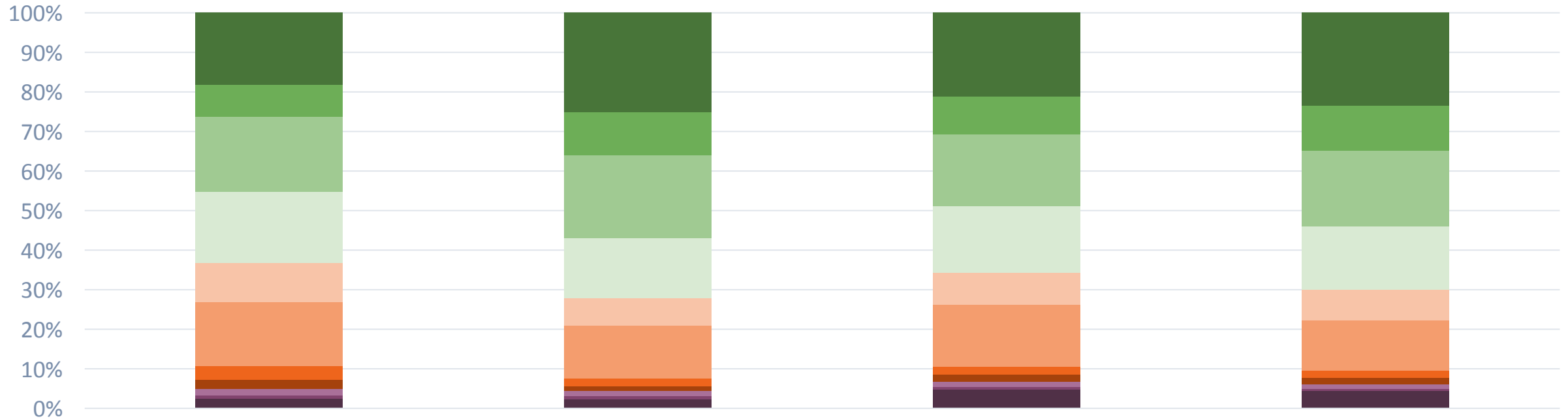
Priorities

In your opinion, should WPF prioritise investment returns, ESG issues, or both?



Interest in investments / ESG integration / wider engagement

Interest, importance of ESG, wider engagement



What level of interest do you have in how the Pension Fund invests the money held to pay the pensions?

How important do you think it is for the Fund to take account of ESG (environmental, social and governance) issues when making investment decisions?

How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the wider financial community to bring about better environmental and social outcomes?

How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the individual companies in which it invests, to bring about better environmental and social outcomes?

0 1 2 3 4 5 6 7 8 9 10

Interest in investments / ESG integration / wider engagement



Possible answers: 1-10 (1 = not interested at all/not important at all, 10 = very interested/very important)

Q: What level of interest do you have in how the Pension Fund invests the money held to pay the pensions?

A: **7.0**

Q: How important do you think it is for the Fund to take account of ESG (environmental, social and governance) issues when making investment decisions?

A: **7.5**

Q: How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the wider financial community to bring about better environmental and social outcomes?

A: **7.0**

Q: How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the individual companies in which it invests, to bring about better environmental and social outcomes?

A: **7.3**

Interest in investments / ESG integration / wider engagement

- Members are interested in how the Fund's investments are managed, with scores across these questions being broadly consistent with last time.
- **59%** of members answered “yes” or “maybe” that ESG issues represent a financial risk to the Pension Fund. Members answered on average **7.5** (i.e. “important”) when asked how important it is for the Fund to take account of ESG issues when making investment decisions. And a majority of members (**63%**) felt that the Fund should prioritise ESG and investment returns equally. This indicates that members want us to earn strong investment returns, from investing responsibly and in a sustainable way. We are pleased that this is completely aligned with our existing approach.
- Members also value our impact on the wider financial community and on the companies in which we invest.

Interest in investments / ESG integration / wider engagement



Response

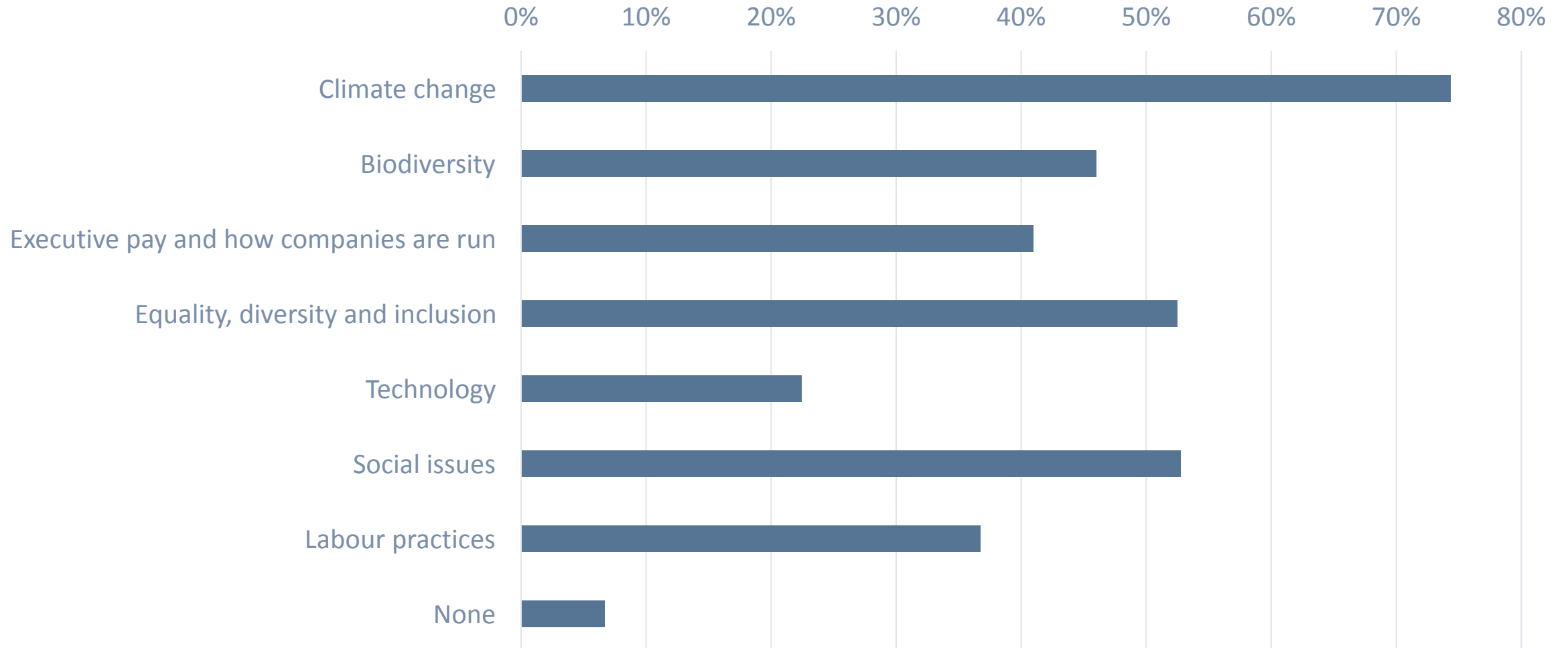
- We will continue to ensure that our responsible investment approach is well communicated, to provide members the assurance that we are always investing in the Fund's best financial interests, and do not compromise on earning competitive returns.
- We will continue to publish our voting and engagement highlights online, and will expand the information we make available to include a transparency tool so that interested members can see all the Fund's equity holdings.
- We will work to maintain signatory status of the Stewardship Code, and practice high standards.

Responsible Investment issues

- This year we introduced a new question, inviting members to express which responsible investment issues were most important to them. The purpose of this question was to inform our engagement activity, and to ensure that we communicate with our members regarding the issues they are most interested in.
- Members could select as many issues as they wanted, and there was also an “other” option, where members made **29** suggestions. Popular issues submitted under “other” included **animal welfare** and **avoiding weapons**.
- Perhaps unsurprisingly, climate was the top issue, selected by **74%** of members, with social issues (**53%**) and equality, diversity and inclusion (**52%**) in second and third place.

Responsible Investment issues

Which ESG (environmental, social and governance) issues are most important to you?



Responsible Investment issues

Response

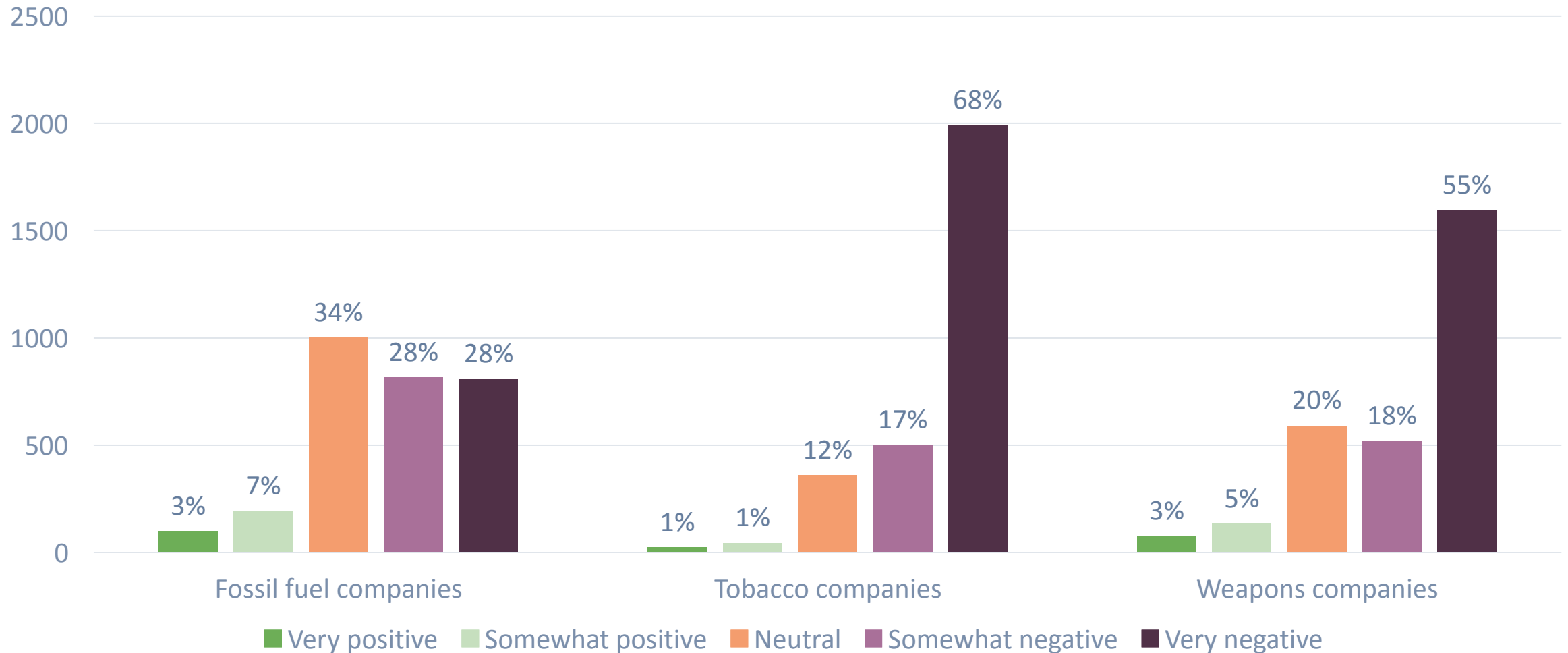
- We will continue to work to enhance our climate reporting, and in 2024 will look to expand this to include reporting on biodiversity and nature.
- We will publish a short report on the “S” in ESG, in order to update members on the work we are doing in this area, and to demonstrate that this is done to protect and enhance the Fund’s investments.
- We will include a “deep dive” case study in this year’s Stewardship Report on Equality, Diversity and Inclusion.

Specific types of company

- We asked another new question this year, inviting members to express how they would feel about WPF investing in specific types of company. The purpose of this question was to explore member sentiment towards types of company that commonly form the top of an exclusion list.
- It is important to note that at the time of the survey, WPF does not operate any exclusions, although we have set a plan to be divested from fossil fuel companies by 2030, and to only invest in fossil fuel companies which are making the transition and delivering real World change up until this point. This plan is a tool to help achieve our goal of net zero by 2050, set in the Fund's best financial interests.
- The answers to this question would be considered alongside other information in the event that any exclusion was adopted.

Specific types of company

Views on specific types of company



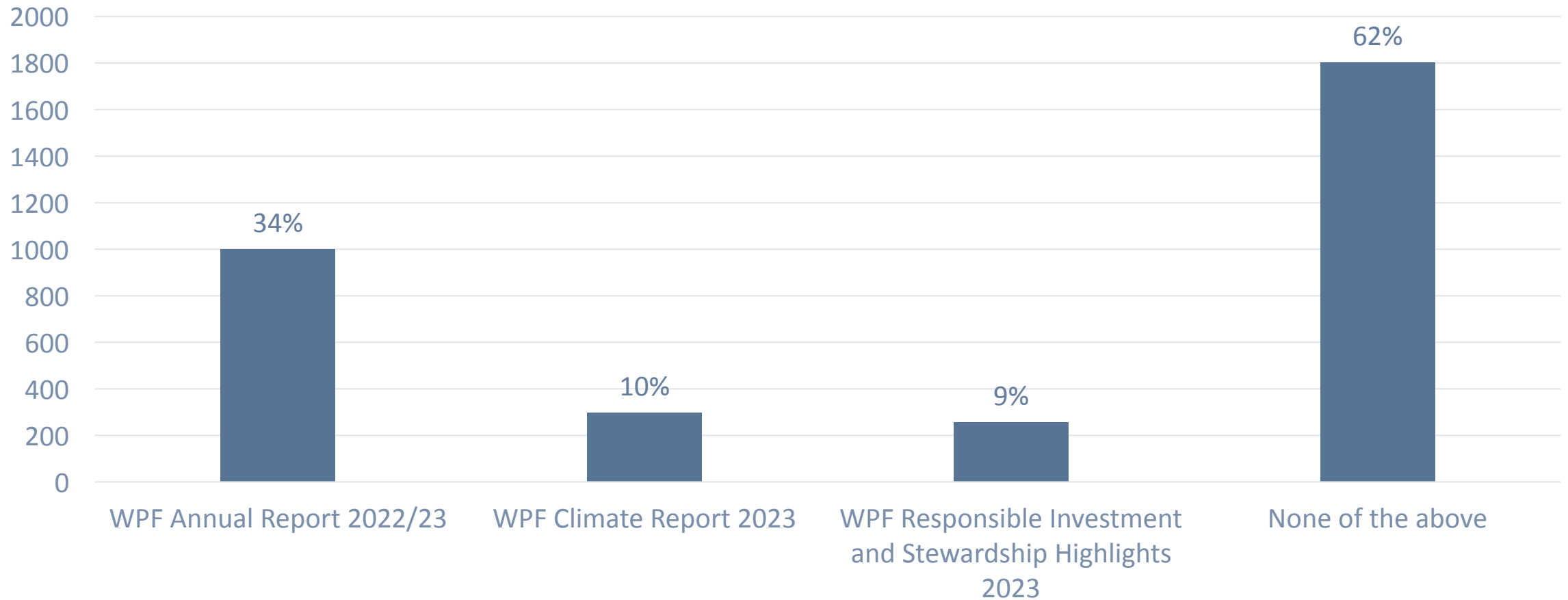
Specific types of company

- Results to this question were clear. Members were most opposed to tobacco companies, with **85%** being negative. This was a very strong answer.
- Regarding weapons companies, there was a little more balance but still overwhelmingly negative, with **73%** of members being negative.
- The most balanced response was regarding fossil fuel companies, where **56%** of members felt negative, and **34%** felt neutral. This may be reflecting the fact that some fossil fuel companies are helping to fund alternative technologies, or in support of ensuring energy security (ideas for reasoning based on some comments received).
- The difference between the three types of company was mostly around negative vs neutral – for all three types very few members felt positive about the idea of WPF being invested.

Response: We will ensure that any holdings in these types of company are closely monitored and are subject to an enhanced level of scrutiny through enquiries with the relevant investment manager.

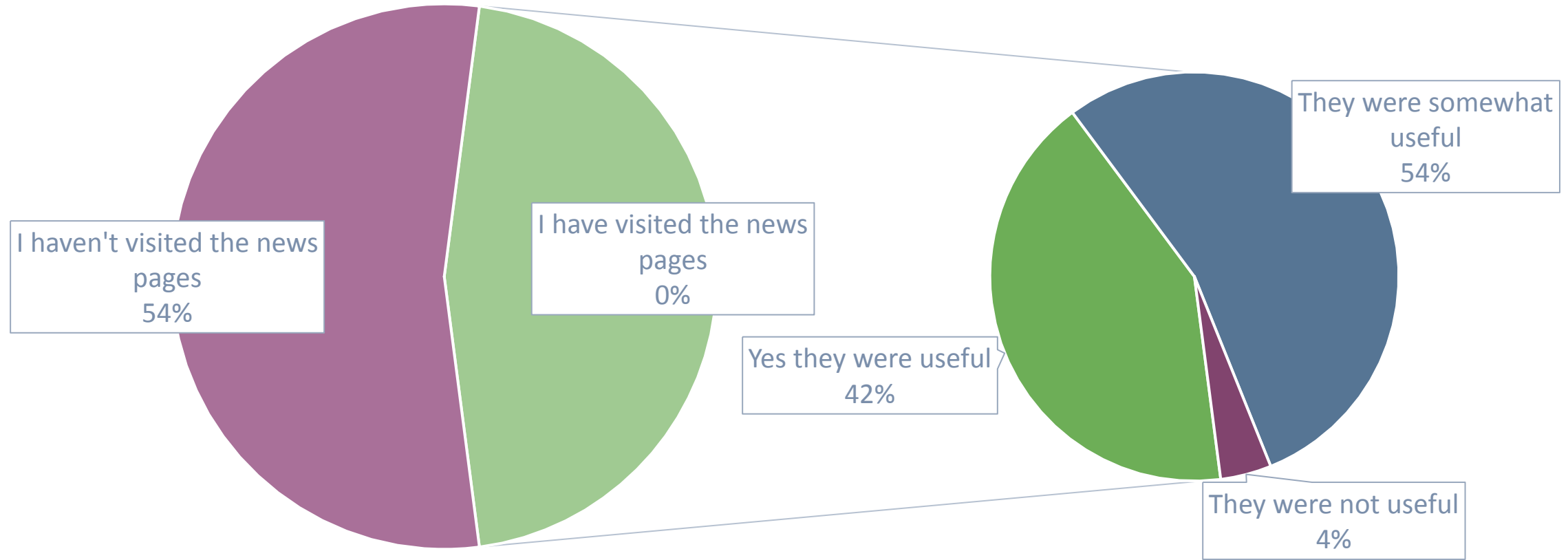
Communications and publications

Publications



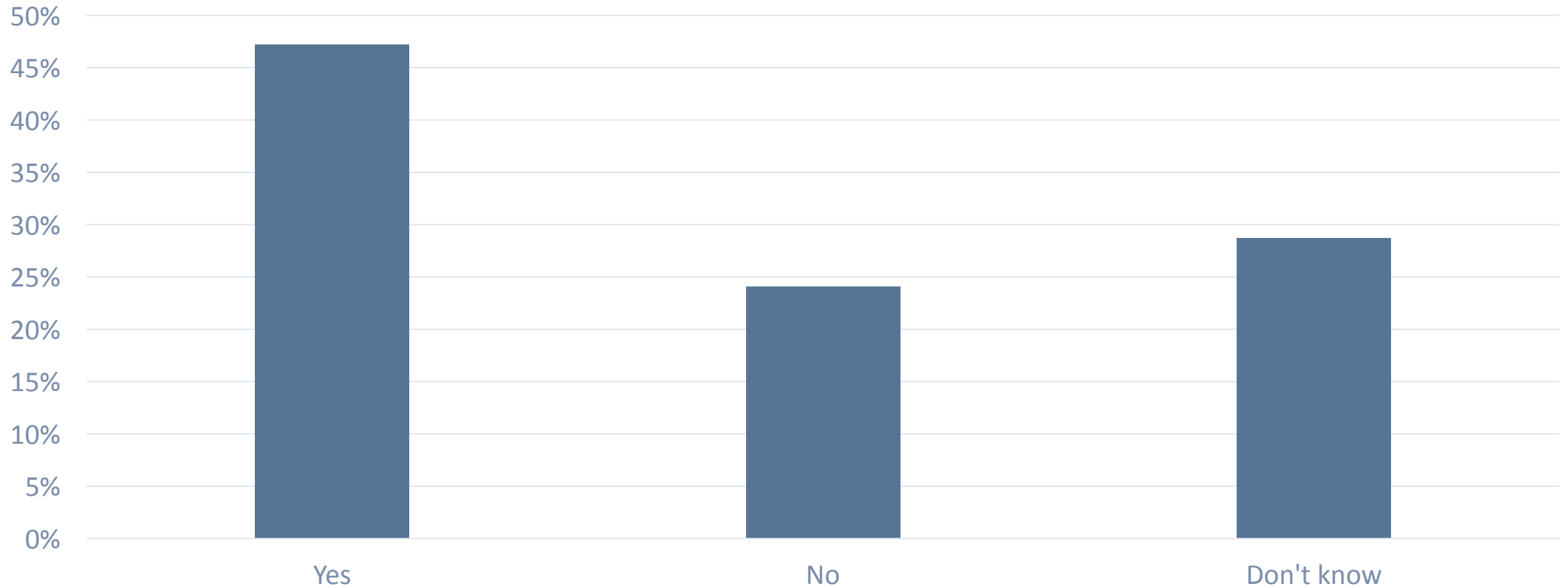
Our news pages

Usefulness of WPF news pages



Further interest

Would you be interested in learning more about WPF's approach to responsible investment?



Member Engagement

- Although the majority of members (**62%**) had not seen any of the publications we asked about, we were pleased to note that **34%** had seen the Annual Report. This represented a huge increase since last time, when only **13%** had seen it. We believe this is evidence of our communications efforts generating results.
- Of those **46%** of members who had seen the news pages, **96%** reported that they found the content useful/somewhat useful.
- This time, **47%** of members reported wanting to learn more (compared to **56%** last time). This could mean that due to increased comms efforts over the last 3 years, members now feel better informed. Or it could mean a reduction in interest in responsible investment as a topic (although the response rate to this survey would indicate that is not the case).

Response

We will continue to investigate how we can communicate to our members to highlight key publications, whilst also being respectful of the fact that members will not wish to be bombarded with excessive amounts of information.

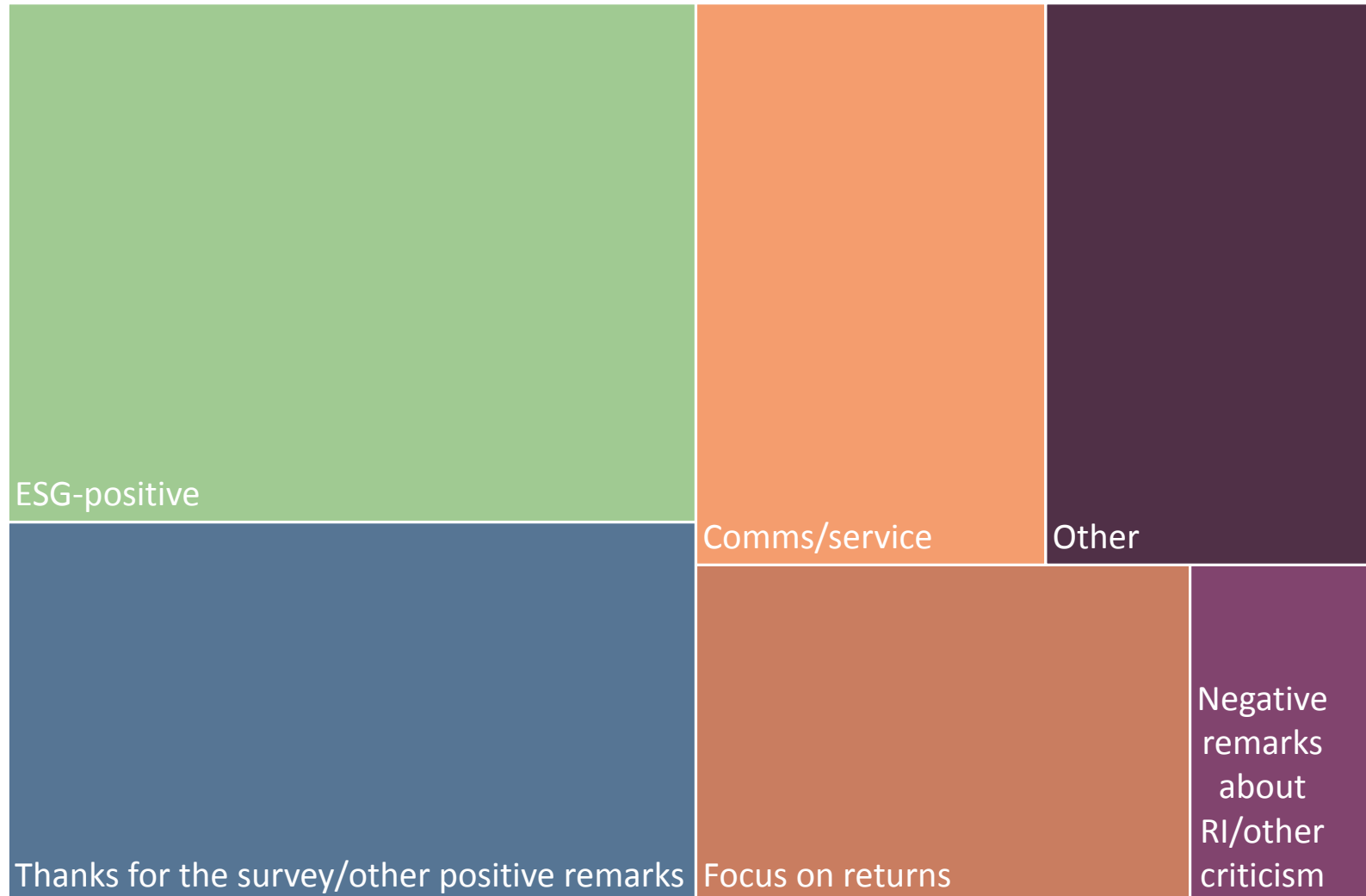
Other comments and feedback

- Members were invited to submit other comments at the end of the survey. These have been broadly classified by theme, as well as analysed as to which membership group the comments came from. We received **329** comments in total.
- Comments were overall very positive. **33%** of comments were positive about ESG, with many commenting that consideration of ESG factors would boost returns. **24%** of comments thanked WPF for conducting the survey and/or shared other positive feedback. We would like to thank our members for these kind remarks.
- **16%** of comments were along the theme of how the Fund should prioritise investment returns, including several who were under the impression that the investment returns would impact their pension. The pension benefits paid out are set by law and so remain unaffected by the investment returns, so it is apparent that in some cases this misconception persists.

Other comments and feedback

- Some **18%** of comments requested more information, or made suggestions for the format of the information or method of delivery. This is supported by the **47%** of respondents who answered that they would like to know more about the Pension Fund's approach to responsible investment, and the average score of **7.0** ("interested") to the question "what level of interest do you have in how the Pension Fund invests the money held to pay the pensions?".
- A small minority of comments (**6%**) were negative about responsible investment and/or critical of WPF.
- All membership groups added comments, ranging from **9%** of responses for actives to **13%** for pensioners.

Other comments and feedback



- Thanks for the survey/other positive remarks
- Focus on returns
- Negative remarks about RI/other criticism
- ESG-positive
- Comms/service
- Other

Other comments and feedback

Membership category	No. of comments	% of membership category who commented
Active	83	9%
Deferred	72	12%
Pensioner	174	13%

Thank you to all scheme members for participating in the survey, we appreciate your engagement and feedback

What questions were asked?

1. Name (confidential - requested only to verify membership of the Pension Fund)
2. Age: under 25, 25-29, 30-39, 40-49, 50-59, 60-69, 70-74, 75+
3. Membership status: Active, Deferred, Pensioner
4. What level of interest do you have in how the Pension Fund invests the money held to pay the pensions? 1-10 (not interested at all – very interested)
5. What level of understanding do you have of responsible investment? good understanding, partial understanding, no understanding
6. How important do you think it is for the Fund to take account of ESG (environmental, social and governance) issues when making investment decisions? 1-10 (not important at all – very important)
7. Do you believe that ESG (environmental, social and governance) issues present a financial risk to the Pension Fund's investments? Yes, No, Maybe, Don't know
8. Do you believe that climate change in particular presents a financial risk to the Pension Fund's investments? Yes, No, Maybe, Don't know

What questions were asked? Cont'd



9. Is it important to you for Wiltshire Pension Fund to invest in sustainable and/or low carbon assets? Yes, No, Maybe, Don't know
10. Are you aware that WPF has a net zero by 2050 target? Yes, No
11. In your opinion, should the Wiltshire Pension Fund prioritise investment returns, ESG (environmental, social and governance) issues, or both? Prioritise investment returns first, prioritise ESG issues first, prioritise investment returns and ESG issues equally
12. Which ESG issues are most important to you? Climate change, biodiversity, executive pay and how companies are run, EDI, technology, social issues, labour practices, none, other.
13. How would you feel about the Fund investing in fossil fuel companies? Very negative, somewhat negative, neutral, somewhat positive, very positive
14. How would you feel about the Fund investing in tobacco companies? Very negative, somewhat negative, neutral, somewhat positive, very positive
15. How would you feel about the Fund investing in weapons companies? Very negative, somewhat negative, neutral, somewhat positive, very positive

What questions were asked? Cont'd



16. How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the wider financial community to bring about better environmental and social outcomes? 1-10 (not important at all – very important)
17. How important is it to you that Wiltshire Pension Fund seeks to influence the behaviour of the individual companies in which it invests, to bring about better environmental and social outcomes? 1-10 (not important at all – very important)
18. Which of the following publications have you seen? WPF annual report 2022/23, WPF Climate Report 2023, WPF Responsible Investment and Stewardship Highlights 2023, None of the above
19. Have you found the articles on our news pages informative? Yes, No
20. Would you be interested in learning more about Wiltshire Pension Fund's approach to responsible investment? Yes, No, Don't know
21. Are there any further comments you would like to make?