



CONTACT: Kate Hand, louisakatehand@googlemail.com, 07703 129334

NEW REPORT REVEALS TOWER HAMLETS COUNCIL INVESTING £92 MILLION IN FOSSIL FUELS

Tower Hamlets, UK -- National data released today has revealed that Tower Hamlets Council has approximately £92 million invested in the fossil fuel industry through its management of the Council pension fund [1]. Campaigners from Tower Hamlets Divest say the controversial investments threaten the climate and represent an unacceptable financial risk to pension beneficiaries [2]. They are urgently calling on the Council Pensions Committee to divest the pension fund, which its professional legal and financial advisers have indicated it is fully able to do.

The release of the 'Fuelling the Fire' report and data coincides with UN international climate talks taking place in Bonn, Germany, which the UK government is attending. It highlights the incompatibility of the UK's climate action promises with continued investment in the fossil fuel industry.

Ellen Gibson, Divestment Campaigner with 350.org commented:

"With hurricanes devastating the Caribbean, wildfires ravaging southern Europe and flooding and drought destroying lives across the world - the impacts of climate change are hitting hard.

"Despite this, UK councils are still plowing billions into companies like Exxon, Shell and BP who have spent decades fuelling the crisis, and profiting on its back.

"Climate change isn't a problem for future generations - it's happening now, and action has never been more urgent. Our councils, and all public institutions, must cut their ties with the fossil fuel companies responsible and divest."

Kate Hand, local campaigner from Tower Hamlets Divest added:

"It's shocking to see our council investing so significantly in such a financially risky and morally bankrupt industry.

"Two years ago, our government agreed to the Paris Treaty - pledging that the UK, along with the rest of the world, would take real action to tackle climate change.

"The fact that our local council continues to invest in the companies responsible for the crisis flies in the face of this agreement, and of all the efforts being made locally to reduce emissions and combat climate change.

"It is unfortunate that while other London boroughs are taking the lead on this issue by committing to divest their pension funds, Tower Hamlets continues to drag its feet."

Tower Hamlets Pensions Committee was advised by external legal counsel at a public meeting in December 2016 that divestment from fossil fuel companies would not contradict its fiduciary duty to pension beneficiaries. Moreover, at a public meeting in March 2017 it was advised by its investment consultants that switching to a fossil fuel-free index for its tracker funds was unlikely to harm its returns.



Yet, while the Pensions Committee has commissioned a carbon analysis of its portfolio and is considering moving a small portion of its portfolio to a low-carbon tracker fund, the value of its fossil fuel investments appears to be much higher now than at the end of 2016, when it stood at £58 million.

The data and online map released by 350.org, Platform and Friends of the Earth ranks councils by their fossil fuel investments, and allows residents to see every company or fund their local council has invested in. Across the UK, council pension funds invest a total of £26.1 billion in oil, coal and gas companies.

Full divestment commitments have so far been made by two UK council pension funds, with a further four making partial commitments [3]. The campaign to divest local council pensions has this year received backing from Unison and the TUC [4].

CONTACT:

For local media enquiries – louisakatehand@googlemail.com (Tower Hamlets Divest)

For national media enquiries - anna@platformlondon.org (Platform)

NOTES

1. To view the full national data set and for more information, visit: gofossilfree.org/uk/fuellingthefire
2. Tower Hamlets Divest is a campaign of Friends of the Earth Hackney and Tower Hamlets. You can find out more about the campaign here: <http://hackneyandtowerhamletsfoe.org.uk/tower-hamlet-divest>. You can sign the petition here: <https://campaigns.gofossilfree.org/petitions/divest-tower-hamlets>.
3. Waltham Forest and Southwark Council Pension Funds have committed to phase out all fossil fuel investments from their portfolio. To see the full list of global divestment commitments, visit: gofossilfree.org/commitments.
4. Read more on Unison's decision on [Platform's blog](#). View the text of the TUC motion - adopted unanimously - on the [Trade Unions for Energy Democracy website](#)