Cadent | Gas Pension Scheme.

2025 Climate Report Summary

Cadent Gas Pension Scheme (the Scheme)

Why climate change matters to the Scheme

- Climate change is widely regarded as one of the most significant challenges facing the world today.
- Climate change affects investments, markets, and the long-term security of pensions.
- It may also impact the Scheme's sponsoring employer, Cadent Gas Limited.
- We (the Trustee) are responsible for making sure climate risks are understood and managed.

"...managing climate-related risks and opportunities isn't just sensible – it is part of our responsibility to make decisions that protect and support our members' long-term interests."

Trustee Statement 2025

The 2025 TCFD report

Our full report explains how we manage risks and opportunities linked to climate change. It follows the UK's legal requirements under the Task Force on Climate-related Financial Disclosures (TCFD) framework.

We've summarised the key points from the 2025 TCFD report and our approach to climate change below. You can find the full report at **cadentgaspensions.com/helpful-resources**

What does this mean for you?

The Scheme is taking real action to address climate change. We are committed to making decisions that support the long-term security of your pension, while also contributing to a more sustainable future. By regularly assessing climate risks and opportunities, the Scheme aims to safeguard your benefits and respond responsibly to global challenges, and we are committed to keeping members informed.

Read the key points from the TCFD report below

How we make decisions responsibly

Our governance framework ensures a clear decision-making process and includes:

- A dedicated committee which meets quarterly to identify, assess, and manage climate risks.
- The Trustee receiving regular updates and training on climate issues.
- Advice from external experts (such as legal, investment, and actuarial advisers) to help support our decision-making.

How we manage climate risks

Risks to the Scheme include:

- **Transition risks:** changes in laws, technology, or markets as the world moves to cleaner energy.
- **Physical risks:** direct impacts like extreme weather and higher temperatures that can damage infrastructure and disrupt supply chains.

We check and monitor how these risks might affect our investments, liabilities, and the sponsoring employer covenant, to make sure the Scheme is resilient to climate risks.

Our approach for a low carbon future

- We're aiming to target "net zero" greenhouse gas emissions from Scheme investments by 2050.

Key measures and progress

- **Reducing carbon emissions:** We aim to cut the carbon emissions from our main investments by 38% by 2030. We're making progress towards our climate target. So far, most of this comes from changing the mix of investments we hold, rather than cuts in companies' actual emissions. We're reviewing our climate objectives and will work with our investment managers to drive more real-world impact.
- **Monitoring climate risks:** We regularly check how climate change could affect the Scheme's investments and the sponsoring employer. This includes looking at risks from extreme weather, changes in government policy, and the shift to cleaner energy.
- **Investing in renewable energy:** The Scheme continues to invest in renewable energy projects, including investments such as a solar panel farm in Reading.
- **Improving data quality**: The Scheme is working to get better information about the carbon footprint of its investments. More investment managers are now reporting detailed emissions data, making it easier to track progress.
- **Responsible stewardship:** The Trustee reviews how investment managers are supporting climate goals, including how they engage with companies to encourage better climate practices.