



STOP FUNDING THE END OF THE WORLD

Working to eliminate nuclear weapons through divestment:
A guide for Scotland

by Don't Bank on the Bomb Scotland

website: nukedivestmentscotland.org
email: nukedivestmentscotland@gmail.com
Twitter: @NukeDivestScot

Introduction

Nuclear weapons are the “most destructive, inhumane and indiscriminate weapons ever created”.¹ This horrifying power was demonstrated in 1945, when the US dropped two atomic bombs on the Japanese cities of Hiroshima and Nagasaki. Hiroshima survivor, Setsuko Thurlow, has told of how² her fellow schoolchildren were “carbonized or vaporized” instantly by the heat of up to a million degrees Celsius, while the radiation affected others “in mysterious and random ways, with some dying instantly, and others weeks, months or years later by the delayed effects”.

Today, nine states together possess nearly 15,000 nuclear weapons and the threat of nuclear war has grown.³ As well as causing mass casualties, a nuclear exchange using as few as 100 nuclear weapons would impact the global climate, destroy ecosystems and precipitate widespread famine.

Despite these risks, nuclear-armed nations are maintaining, upgrading, and “modernising”⁴ their arsenals. Vast sums of money that could be spent on education, healthcare and housing are instead being transferred to companies that produce the key components for weapons of mass destruction and their delivery systems.

Nevertheless, a majority of the world’s countries have chosen to reject nuclear weapons completely. On 7 July 2017, 122 states adopted the UN Treaty on the Prohibition of Nuclear Weapons (TPNW),⁵ which prohibits the development, testing, possession, acquisition and use of nuclear weapons. Support for the treaty grew out of increased global awareness of the humanitarian consequences of the use of nuclear weapons and concern over the lack of progress on disarmament.

The successful negotiation of the TPNW has given enormous momentum to the global movement for nuclear disarmament. The stigma attached to nuclear weapons is growing and states are facing increasing pressure to abandon doctrines that rely on them. Advocating for divestment gives us another way to challenge this reliance: by targeting the companies that produce nuclear weapons through their investors.

A majority of people in Scotland opposed⁶ the renewal of Britain’s Trident nuclear weapons programme, but the UK Parliament approved the £205 billion⁷ project in 2016. By convincing financial institutions to divest, we can cut off funding for the companies that work on Trident and other nuclear weapons programmes. This will create an incentive for those companies to stop producing nuclear weapons and make it harder for states to maintain nuclear weapons programmes.

This guide includes information showing that the Scottish Parliamentary Pension Scheme, the Scottish Local Government Pension Scheme and Scottish universities together have at least **£296 million** invested in companies that are involved in the production and maintenance of nuclear weapons and their delivery systems (see sections 3, 4 and 5). These investments are inconsistent with the position of the Scottish government, which is firmly opposed to nuclear weapons and supports the TPNW.⁸

¹ <http://www.icanw.org/the-facts/catastrophic-harm/>

² Statement to the Second Conference on the Humanitarian Impact of Nuclear Weapons, Mexico, 13-14 February 2014: <http://www.reachingcriticalwill.org/images/documents/Disarmament-fora/nayarit-2014/statements/Hibakusha-Thurlow.pdf>

³ Bulletin of Atomic Scientists’ 2018 Doomsday Clock Statement: <https://thebulletin.org/2018-doomsday-clock-statement>

⁴ SIPRI Fact Sheet – Trends in World Nuclear Forces 2017: https://www.sipri.org/sites/default/files/2017-06/fs_1707_wnf.pdf

⁵ https://treaties.un.org/doc/Treaties/2017/07/20170707%2003-42%20PM/Ch_XXVI_9.pdf

⁶ <http://whatscotlandthinks.org/questions/do-you-support-or-oppose-the-renewal-of-trident#table>

⁷ <https://cnduk.org/resources/205-billion-cost-trident/>

⁸ <https://www.commonspace.scot/articles/11973/nicola-sturgeon-signs-pledge-support-nuclear-weapons-ban-treaty>

Section 6 details information from the annual Don't Bank on the Bomb Report⁹ (DBOTB report) which shows that Scottish financial institutions, Royal Bank of Scotland Group (RBS Group), Standard Life Aberdeen and Lloyds Banking Group (which includes Bank of Scotland), together made **£4.7 billion** available to nuclear weapons producers between 2014 and 2017. The report, published by Dutch peace organisation PAX, names and shames financial institutions which profit from their involvement with the world's top 20 nuclear weapons producing companies.¹⁰ The report also highlights the institutions which have adopted comprehensive policies prohibiting the financing of nuclear weapons in its Hall of Fame,¹¹ and recognises those banks, pension funds and insurers that are making an effort in the Runners-up¹² section.

Each of us can play a key role in helping to rid the world of nuclear weapons by getting involved in the divestment movement. This guide is intended to be a resource for those who wish to engage with Scottish organisations about nuclear weapons divestment:

- **Section 1** explains the reasons why financial institutions and other organisations in Scotland should divest from nuclear weapons.
- **Section 2** explains which nuclear weapons producers that are covered in this report.
- **Sections 3 to 7** provide details of the Scottish organisations and financial institutions that invest in nuclear weapons producers, so you know which ones to target.
- **Section 8** is a guide to the actions that you can take to promote divestment.

1. Why Divest?

1.1 It's wrong to invest in nuclear war

Organisations that invest in nuclear weapons producers are helping to fuel a new nuclear arms race. Nuclear weapons states are currently spending enormous sums of money¹³ "modernising" their arsenals, thus increasing the threat¹⁴ of nuclear war.

"Modernisation", in the context of nuclear weapons, is generally a euphemism for "maintaining or expanding the ability to murder civilians using an indiscriminate weapon outlawed by international treaty".¹⁵ Britain is set to spend £205 billion renewing the Trident nuclear weapons system and Prime Minister Theresa May has said that she is prepared to personally "authorise a nuclear strike that can kill a hundred thousand innocent men, women and children".¹⁶

The Scottish organisations that invest in, or provide financing to, nuclear weapons producers are choosing to back war over peace. As arms trade expert Andrew Feinstein says,¹⁷ the economics of the arms industry "is very closely tied to instability and conflict". This is illustrated by the recent history of geopolitical nuclear tensions involving the US, North Korea and Iran:

⁹ References to the 2018 DBOTB throughout this guide are to: Maaïke Beenes and Susi Snyder, "Don't Bank on the Bomb: A Global Report on the Financing of Nuclear Weapons Producers", PAX (March 2018); <https://www.dontbankonthebomb.com/2018-report/>

¹⁰ <https://www.dontbankonthebomb.com/nuclear-weapon-producers/>

¹¹ <https://www.dontbankonthebomb.com/2018-hof/>

¹² https://www.dontbankonthebomb.com/2018_runners-up/

¹³ SIPRI Fact Sheet – Trends in World Nuclear Forces 2017: https://www.sipri.org/sites/default/files/2017-06/fs_1707_wnf.pdf

¹⁴ Bulletin of Atomic Scientists' 2018 Doomsday Clock Statement: <https://thebulletin.org/2018-doomsday-clock-statement>

¹⁵ <https://www.dontbankonthebomb.com/nuclear-weapon-producers/>

¹⁶ <https://www.theguardian.com/uk-news/2016/jul/18/theresa-may-takes-aim-at-jeremy-corbyn-over-trident-renewal>

¹⁷ <https://therealnews.com/stories/arms-industry-stocks-shoot-up-after-trump-withdraws-from-iran-deal>

- **August 2017:** After reports emerged about new developments in North Korea's nuclear weapons programme, US President Donald Trump threatens the state with "fire and fury like the world has never seen". The share prices of multinational arms giants, Lockheed Martin, Northrop Grumman and Raytheon, each hit record highs.¹⁸
- **September 2017:** North Korea claims to have successfully tested a hydrogen bomb. Raytheon's share price hits another all-time high while shares in Northrop Grumman, Lockheed Martin and other arms companies rise again.¹⁹
- **April 2018:** The leaders of North and South Korea agree to formally end the Korean War and to work towards the denuclearisation of the Korean Peninsula. Arms stocks plummet, with the value of Lockheed Martin, Northrop Grumman, Raytheon, General Dynamics and Boeing shares dropping by over US \$10 billion in one day.²⁰
- **May 2018:** President Trump announces US withdrawal from the Joint Comprehensive Plan of Action, putting war with Iran back on the table. Arms shares rally again²¹ as analysts predict that "defence contractors with significant exposure to the Middle East are poised to gain immensely from international tensions that are flaring up".²²
- **June 2018:** Raytheon, Northrop Grumman and Lockheed Martin shares fall²³ after President Trump and North Korean leader Kim Jong-un hold a landmark summit in Singapore and agree to "join their efforts to build a lasting and stable peace regime on the Korean Peninsula".²⁴

As this timeline demonstrates, "any possibility of greater conflict, especially involving a wide variety of countries, is very good news for the defense contractors".²⁵ Scottish organisations investing in nuclear weapons producers are choosing to buy into this warped logic: the greater the threat of nuclear war, the better the return will be on their investments.

1.2 Nuclear weapons threaten our survival

A conflict involving nuclear weapons would cause mass humanitarian and environmental devastation. As long as nuclear weapons exist, this threat will persist.

In Australia and the Marshall Islands, British and American nuclear weapons testing has left a legacy of cancer and birth defects in Indigenous communities. We know the effects of dropping just one nuclear bomb on a city because of the US bombings of Hiroshima and Nagasaki in 1945. In Hiroshima alone, around 140,000 people were killed within a few hours of the bomb being dropped, with tens of thousands more dying later from the effects of radiation sickness, burns and other injuries.

There are nearly 15,000 nuclear weapons in the world right now, most of them considerably more powerful than the bombs dropped on Japan in 1945. Studies show that even a "limited" nuclear war, fought with 100 Hiroshima-sized nuclear weapons, would cause a sharp drop in global temperatures

¹⁸ <http://fortune.com/2017/08/09/trump-north-korea-stocks/>

¹⁹ <https://www.cnbc.com/2017/09/05/defense-stocks-surge-on-north-korea-tensions-mega-deal.html>

²⁰ <http://fortune.com/2018/04/27/north-south-korea-nuclear-friendly-handshake-defense-stocks-boeing/>

²¹ <https://www.investors.com/news/defense-stocks-rally-iran-nuclear-deal-middle-east-conflict/>

²² <https://www.nasdaq.com/article/defense-stocks-rally-on-iran-deal-4-hot-picks-cm962465>

²³ <https://www.ft.com/content/8ef327b0-6e52-11e8-852d-d8b934ff5ffa>

²⁴ <https://www.whitehouse.gov/briefings-statements/joint-statement-president-donald-j-trump-united-states-america-chairman-kim-jong-un-democratic-peoples-republic-korea-singapore-summit/>

²⁵ <https://therealnews.com/stories/arms-industry-stocks-shoot-up-after-trump-withdraws-from-iran-deal>

and rainfall lasting years.²⁶ This would make food production impossible in some regions, leading to a global famine which could put two billion people at risk of starvation.²⁷

Scottish banks and pension funds have a choice “either to contribute to the end of nuclear weapons, or to provide the financing that will allow nuclear weapons to end us” (Beatrice Fihn, ICAN Director).²⁸

1.3 Nuclear weapons are illegal

The Scottish organisations that choose to invest in nuclear weapons are on the wrong side of international law and out of step with the international community. In July 2017, 122 countries adopted the UN Treaty on the Prohibition of Nuclear Weapons (TPNW). The International Campaign to Abolish Nuclear Weapons (ICAN) led the push for the treaty and was awarded the 2017 Nobel Peace Prize for its efforts.

The treaty prohibits the development, testing, possession, acquisition and use of nuclear weapons. States parties also agreed not to “assist, encourage or induce, in any way, anyone to engage in” a prohibited activity. This provision is widely understood to apply to the financing of nuclear weapons.²⁹

All nine nuclear weapons states boycotted the treaty negotiations, including the UK. The British government says that it “does not intend to sign, ratify or become party to” the treaty.³⁰ However, as at 22 August 2018, 60 countries had signed the treaty and ratification is proceeding at the same rate as similar treaties, meaning that it will likely enter into force by 2020.

The TPNW and an increased risk of nuclear conflict have pushed nuclear weapons towards “the top of the (responsible) investment community agenda”.³¹ Thirty financial institutions have ceased investing in nuclear weapons since the treaty was adopted in July 2017, suggesting that an international norm against nuclear weapons is being established.³²

There is a financial risk investing in companies that are involved in the production of illegal weapons. As progress on ratification of the TPNW advances and the stigma attached to nuclear weapons grows, Scottish financial institutions which fail to divest will find themselves increasingly isolated, risking damage to their reputation and their business.

1.4 Scotland opposes nuclear weapons

The Scottish organisations that provide financing to nuclear weapons producers are helping to fund the production and maintenance of weapons of mass destruction which are indiscriminate, immoral and now illegal under the TPNW. This is out of step with Scottish public opinion and inconsistent with the position of the Scottish government.

²⁶ “Climatic consequences of regional nuclear conflicts” (Atmos. Chem. Phys., 7, 2003–2012, 2007), A. Robock, L. Oman, G. L. Stenchikov, O. B. Toon, C. Bardeen, and R. P. Turco: <http://climate.envsci.rutgers.edu/pdf/acp-7-2003-2007.pdf>

²⁷ “Nuclear Famine: Two Billion People at Risk? Global Impacts of Limited Nuclear War on Agriculture, Food Supplies, and Human Nutrition” (2nd ed, 2013), Ira Helfand, MD: <http://www.psr.org/assets/pdfs/two-billion-at-risk.pdf>

²⁸ <https://www.dontbankonthebomb.com/2018-introduction/>

²⁹ <https://www.dontbankonthebomb.com/wp-content/uploads/2017/12/Building-on-the-ban-briefing-paper.pdf>

³⁰ <https://www.gov.uk/government/news/uk-statement-on-treaty-prohibiting-nuclear-weapons>

³¹ <https://www.sustainalytics.com/sustainblog/nuclear-weapons-divestment/>

³² <https://www.dontbankonthebomb.com/2018-dont-bank-on-the-bomb/>

A majority of Scots opposed Trident renewal and a March 2018 poll found that 72% of Scots believe that the Scottish Parliamentary Pension Scheme should not be allowed to invest in arms manufacturers.³³

The Scottish government is firmly opposed to nuclear weapons, a position that was reiterated by First Minister (FM) Nicola Sturgeon at the 2017 SNP conference when she said: “We say ‘no’ to weapons of mass destruction. We say ‘no’ to nuclear weapons on the River Clyde, or anywhere else.” FM Sturgeon has signed³⁴ ICAN’s parliamentary pledge of support for the TPNW, as have a majority of Members of the Scottish Parliament and a majority the Scottish MPs at Westminster.³⁵

1.5 Divestment can help achieve a world without nuclear weapons

“By divesting from nuclear weapon producers, we can make it harder for those that profit from weapons of mass destruction and encourage them to cut the production of nuclear weapons from their business strategies”. Beatrice Fihn, Director of ICAN (foreword to the 2018 Don’t Bank on the Bomb Report)

The aim of divestment is to pressurise companies to halt nuclear weapons production and increase the pressure on states to reconsider national security doctrines that rely on nuclear weapons.

1.5.1 How can this work?

When a financial institution adopts a comprehensive policy prohibiting financial involvement with companies that produce nuclear weapons (see section 8.1), those companies will be unable to access that institution’s funds for any purpose. If divestment becomes widespread, nuclear weapons producers will find it increasingly difficult to access the financing that they need. This should create a powerful incentive for those companies to stop producing nuclear weapons.

When pension funds, universities and other organisation decide to sell their shares in nuclear weapons producing companies, the stigma attached to nuclear weapons grows. The negotiation of the TPNW has brought renewed focus on the indiscriminate and inhumane nature of nuclear weapons and widespread divestment will further delegitimise the position of states that claim to depend on them.

1.5.2 Cluster munitions case study

The successful cluster munitions divestment campaign shows that divestment has the potential to change the behaviour of nuclear weapons producers and nuclear weapons states.

Until relatively recently, the use of cluster munitions was considered legitimate by many states, including the UK. Cluster munitions were used extensively by the US and the UK in the 1999 NATO bombing of Yugoslavia and in the wars in Iraq and Afghanistan.³⁶ However, concerns about the indiscriminate effects of the weapons and the long-term threat posed to civilians led to the negotiation of the 2008 Cluster Munitions Convention, which prohibits all use, production, transfer and stockpiling of cluster munitions. The convention entered into force in 2010 and gave campaigners a powerful tool to persuade financial institutions to divest from cluster munitions producers.

³³ http://www.heraldsotland.com/news/16063941.Call_to_stop___3m_MSP_pension_fund_investments_in_weapons___tobacco_and_dirty_fuel_after_poll/?ref=twtr

³⁴ <https://www.commonspace.scot/articles/11973/nicola-sturgeon-signs-pledge-support-nuclear-weapons-ban-treaty>

³⁵ <http://www.icanw.org/projects/pledge/>

³⁶ <http://www.stopclustermunitions.org/en-gb/cluster-bombs/use-of-cluster-bombs/a-timeline-of-cluster-bomb-use.aspx>

By 2012, four major British financial institutions had banned shareholdings in companies that were involved in making or supplying cluster munitions, including major US manufacturers, Lockheed Martin and Textron.³⁷ This action brought fresh attention onto the harm caused by cluster munitions and intensified the pressure on companies to cease production.

Consequently, Lockheed Martin stopped producing cluster munitions components by the end of 2013.³⁸ In 2016, the last remaining US manufacturer of the weapons, Textron, said that it would also cease production. In a 2016 statement to the US Securities and Exchange Commission, Textron said that demand for cluster munitions had diminished and the “current political environment has made it difficult” to obtain the government approvals necessary for sales.³⁹

About 60 states still possess cluster munitions and they are still being used to kill and maim civilians. However, production has been cut dramatically and the stigma attached to cluster munitions has made it harder for many states to justify possessing or using them.

2. Nuclear weapons producers

This guide contains information about investments made by Scottish organisations in the world’s top 20 nuclear weapons producers:

World’s top 20 nuclear weapons producers

Aecom	CH2M Hill	Lockheed Martin
Aerojet Rocketdyne	Fluor	Northrop Grumman
Airbus Group	General Dynamics	Orbital ATK
BAE Systems	Honeywell International	Safran
Bechtel	Huntington Ingalls Industries	Serco
Boeing	Jacobs Engineering	Thales
BWX Technologies	Larsen & Toubro	

Source: Maaike Beenes and Susi Snyder, “Don’t Bank on the Bomb: A Global Report on the Financing of Nuclear Weapons Producers”, PAX (March 2018).

For more information about each company see the 2018 DBOTB report:
<https://www.dontbankonthebomb.com/2018-report/>.

We have also included information about investments in **Rolls Royce** and **Babcock International** in sections 3, 4 and 5 where these have been found, as we believe that these companies play a key role in Britain’s nuclear weapons programme.

Rolls Royce was involved in the development and maintenance of Britain’s current fleet of nuclear-armed Vanguard class submarines and the company will supply the nuclear reactors for the new £41 billion Dreadnought class submarines. Rolls Royce has been involved in the project to design the new

³⁷ <https://www.theguardian.com/business/2012/apr/09/uk-banks-blacklist-cluster-bomb-manufacturers>

³⁸

https://www.banktrack.org/show/news/leading_financial_institutions_invest_in_producers_of_banned_cluster_bombs

³⁹ Textron’s 2016 statement to the US Securities and Exchange Commission:

<http://d1lge852tjjqow.cloudfront.net/CIK-0000217346/57f0bc04-5bf0-40d3-ab7c-159cbfc34be5.pdf?noexit=true>

submarines,⁴⁰ along with BAE Systems and Babcock International. Babcock International maintains the British Navy's nuclear submarines and is a member of the ABL Alliance, which is contracted to provide support for the Trident nuclear weapons system at Coulport and Faslane.⁴¹

Rolls Royce and Babcock International are blacklisted by several financial institutions listed in the 2018 DBOTB report's Hall of Fame.

3. Scottish Local Government Pension Scheme

The Scottish Local Government Pension Scheme (LGPS) is the largest public pension scheme in Scotland, with over half a million members and £42 billion in assets.⁴² The fund is administered by pension committees in 11 fund administering authorities:

Dumfries and Galloway: <http://www.dumgal.gov.uk/pensions>

Falkirk: <http://www.falkirkpensionfund.org/>

Fife: <https://pension.fife.gov.uk/>

Highland: <http://www.highlandpensionfund.org/>

Lothian: <http://www.lpf.org.uk/>

North East Scotland: <http://www.nespf.org.uk/>

Orkney Islands: <http://www.orkney.gov.uk/Service-Directory/S/pensions.htm>

Scottish Borders: <http://lgps-brochureware-prod.azurewebsites.net/scottish-borders-council-pension-fund/>

Shetland Islands: <http://www.shetland.gov.uk/finance/Pensions.asp>

Strathclyde: <http://www.spfo.org.uk/>

Tayside: <http://www.taysidepensionfund.org/>

Information drawn from the authorities' websites and from freedom of information requests shows that the Scottish Local Government Pension Scheme holds shares worth approximately **£294 million** in 14 companies that undertake nuclear weapons related work.

Lothian Pension Fund has the largest amount, £159 million, invested in six nuclear weapons producers, followed by Strathclyde Pension Fund which has £89 million invested in 11 producers. US weapons giant Lockheed Martin has attracted the largest share of Scottish LGPS funds, with Lothian and Strathclyde holding shares worth £88 million in the company. However, Rolls Royce is the most popular choice, with seven out of the nine authorities listed here holding shares in the company.

Please see the sections below for details of each fund's investments in nuclear weapons producers. At the time of writing, sufficiently detailed information had not been sourced regarding the investments of Dumfries and Galloway Pension Fund and Shetland Islands Pension Fund, so these have not been included.

If you are a member of the Scottish LGPS, please see section 8.3 for information on what you can do to encourage your fund to divest from nuclear weapons. If you are a concerned citizen, please see section 8.4 for tips on approaching your local councillors about divestment and see Appendix 3 for our template letter.

Note: Scottish local councils may have other investments in nuclear weapons producers. This section only covers the investments of LGPS funds.

⁴⁰ <https://uk.reuters.com/article/uk-britain-nuclear/uk-steps-closer-to-renewing-nuclear-firepower-idUKBRE84LOHN20120522>

⁴¹ <http://www.awe.co.uk/about-us/our-locations/>

⁴² Scottish Local Government Pension Scheme Advisory Board (SAB) Annual Report 2016-17: <http://lgpsab.scot/wp-content/uploads/2018/03/SAB-annual-report-2017-1.pdf>

3.1 Lothian

Lothian Pension Fund is one of the largest in the UK, according to its website, with over 65,000 members. The fund has previously drawn criticism for its investments in arms companies.⁴³ A list of assets taken from the fund's website shows that the fund held shares with a market value of nearly **£159 million** as of 31 March 2018 in five companies which are involved in nuclear weapons work:⁴⁴

Company	Value of shares (£)
Babcock International	1,569,077
General Dynamics	24,051,361
Honeywell International	16,882,299
Lockheed Martin	86,483,617
Northrop Grumman	29,821,299
Total	158,807,653

Each of these companies contributes to Britain's Trident nuclear weapons programme.

3.2 Strathclyde

Strathclyde Pension Fund is Scotland's largest local authority pension scheme fund and has previously drawn criticism for its investments in arms companies.⁴⁵ A list of assets taken from the fund's website shows that it held shares with a market value of over **£89 million** as of 31 March 2018 in 11 companies which are involved in nuclear weapons work:⁴⁶

Company	Value of shares (£)
Airbus	26,009,098
Boeing	1,821,278
Fluor	113,729
General Dynamics	807,653
Honeywell International	6,782,769
Huntington Ingalls	93,363
Jacobs Engineering	112,691
Lockheed Martin	1,195,998
Northrop Grumman	797,271
Rolls Royce	34,299,308
Safran	17,139,870
Total	89,173,028

⁴³ <https://theferret.scot/council-pension-funds-bankrolling-arms/>

⁴⁴ http://www.lpf.org.uk/downloads/11/how_we_invest

⁴⁵ http://www.heraldscotland.com/news/homenews/15567786.Scotland_s_biggest_public_pension_scheme_happy_to_keep_investment_in_arms_traders_but_can_t_say_who_they_sell_to/

⁴⁶ <https://www.spfo.org.uk/index.aspx?articleid=16962>

**Note: the figures in this table, with the exception of the figure for Rolls Royce, were converted from US dollars or Euros using exchange rate as at 31 March 2018: 1 EUR = 0.879514 GBP; 1 USD = 0.713637 GBP.*

3.3 Falkirk

A list of investments taken from the fund's website shows that Falkirk Council Pension Fund held shares worth more than **£13.6 million** as of 31 March 2018 in two companies which are involved in nuclear weapons related work:⁴⁷

Company	Value of shares (£)
BAE Systems	9,680,984
Rolls Royce	3,962,233
Total	13,643,217

3.4 Tayside

The response to a freedom of information request dated June 2017 showed that the Tayside Pension Fund had shares worth more than **£12.6 million** as of 31 March 2017 in four companies which are involved in nuclear weapons work:⁴⁸

Company	Value of shares (£)
Airbus	4,143,185
BAE Systems	3,564,911
Serco	2,105,722
Rolls Royce	2,859,960
Total	12,673,778

3.5 Highland

A list of investments taken from the fund's website shows that Highland Council Pension Fund held shares worth more than **£11.5 million** as at 31 March 2018 in two companies which are involved in nuclear weapons work:⁴⁹

Company	Value of shares (£)
General Dynamics	5,908,854
Rolls Royce	5,595,570
Total	11,504,424

⁴⁷ <http://www.falkirkpensionfund.org/media/3921/investments-stock-listing-31032018.pdf>

⁴⁸ https://www.whatdotheyknow.com/request/dundee_city_counciltayside_pensi#incoming-993519

⁴⁹ <http://www.highlandpensionfund.org/highland-pension-fund/about-us/forms-and-publications/>

3.6 North East Scotland

A list of investments taken from the fund's website shows that the fund held shares with a market value of over **£3 million** as of 31 March 2018 in one company which is involved in nuclear weapons related work:⁵⁰

Company	Value of shares (£)
Rolls Royce	3,069,915
Total	3,069,915

3.7 Fife

The response to a freedom of information request dated June 2017 showed that Fife Pension Fund held shares worth more than **£2.6 million** as of 31 March 2017 in two nuclear weapons producers:⁵¹

Company	Value of shares (£)
BAE Systems	846,670
Honeywell International	1,816,971
Total	2,663,641

3.8 Scottish Borders

A response to a freedom of information request dated June 2017 revealed that Scottish Borders Pension Fund held shares worth nearly **£1.8 million** as of 24 May 2017 in one company which is involved in nuclear weapons related work:⁵²

Company	Value of shares (£)
Rolls Royce	1,795,082
Total	1,795,082

3.9 Orkney Islands

A response to our freedom of information request dated June 2018 shows that Orkney Islands Pension Fund held shares worth over **half a million** pounds in one company which is involved in nuclear weapons related work:

Company	Value of shares (£)
Rolls Royce	552,256
Total	552,256

⁵⁰ http://www.nespf.org.uk/TheFund/Investment/Fund_Managers.aspx

⁵¹ https://www.whatdotheyknow.com/request/fife_council_pension_fund_invest

⁵² https://www.whatdotheyknow.com/request/scottish_borders_council_pension_2

4. Scottish Parliamentary Pension Scheme

In 2014, a response to a question to the Scottish Parliamentary Corporate Body by Greens MSP John Finnie revealed that 4% of the Scottish Parliamentary Pension Scheme fund was invested in arms companies.⁵³ Later analysis undertaken by Friends of the Earth Scotland showed that the fund had £244,517 invested in Rolls Royce.⁵⁴

Rolls Royce has been involved in the project to design Britain's new nuclear-armed Dreadnought class submarines and will manufacture their nuclear power reactors.⁵⁵ A majority of MSPs opposed Trident renewal but, while investment in Rolls Royce continues, MSPs are effectively benefiting from the UK's nuclear weapons programme. John Finnie argues that MSPs should be consulted on the types of investments which are made by the pension fund as "most would not want to be complicit in the misery caused by warfare" and other harmful industries.⁵⁶

In March 2018, a Survation poll found that nearly three quarters of Scots believe that the fund should divest from arms companies.⁵⁷ It was subsequently announced that the trustees and the pension fund managers would discuss divestment issues at a meeting, but the outcome of that has not yet been made public.⁵⁸

The Scottish Parliamentary Pension Scheme should be held accountable to the values of the Scottish government and the Scottish people. We encourage you to raise this issue with your MSP: see section 8.5.

5. Scottish universities

This section contains information about Scottish universities that we have found to be investing endowment funds in nuclear weapons producers (Glasgow and Strathclyde). We have also included information about universities which have a policy covering investments in nuclear weapons (Edinburgh, St Andrews, Aberdeen). There may be other Scottish universities which fall into either category, but have not made details of their investments or their policy readily available.

If you are a student, or alumni, in Scotland who is concerned about nuclear weapons investments, we suggest you do some research to find out whether your university has a policy relating to nuclear weapons producers and whether it invests in them. If you find out that your university has such investments, you can contact the university's principal to explain why you think that the university should divest from nuclear weapons producers and adopt a nuclear weapons divestment policy (see section 1 for reasons why organisations should divest).

You can also contact CAAT Universities Network (<https://caatunis.net/>) or People and Planet (<https://peopleandplanet.org/>) for information about how to get involved in student divestment campaigns. The example of Edinburgh University discussed below demonstrates how sustained student activism can lead to a change in investment policy.

⁵³ Meeting of the Scottish Parliament 13 November 2014 – Official Report:

<http://www.parliament.scot/parliamentarybusiness/report.aspx?r=9622&i=87435#ScotParlOR>

⁵⁴ <https://foe.scot/scottish-parliament-invests-3-million-in-fossil-fuels-arms-and-tobacco/>

⁵⁵ <https://uk.reuters.com/article/uk-britain-nuclear/uk-steps-closer-to-renewing-nuclear-firepower-idUKBRE84LOHN20120522>

⁵⁶ <https://greens.scot/news/finnie-welcomes-news-divestment-will-be-discussed-by-msp-pension-managers>

⁵⁷ http://www.heraldscotland.com/news/16063941.Call_to_stop___3m_MSP_pension_fund_investments_in_weapons___tobacco_and_dirty_fuel_after_poll/?ref=twtr

⁵⁸ <https://greens.scot/news/finnie-welcomes-news-divestment-will-be-discussed-by-msp-pension-managers>

5.1 University of Glasgow

The University of Glasgow has been criticised for investing heavily in the arms industry, while claiming to be “committed to socially responsible investment”.⁵⁹ An annual list of investments on the university’s website shows that it holds over **£1.6 million** worth of shares in 11 nuclear weapons producers.⁶⁰

Company	Value of shares (£)
Airbus	127,601
BAE Systems	570,715
Boeing	319,822
Fluor	32,416
Honeywell International	159,212
Jacobs Engineering	28,632
Lockheed Martin	152,452
Northrop Grumman	83,628
Rolls Royce	86,527
Safran	61,117
Thales	24,858
Total	1,646,980

In 2015, Scottish Green Party MSP John Finnie backed calls for the University of Glasgow to divest from the arms industry. Noting the university’s decision to divest from fossil fuel, Finnie said the University should “reflect on their earlier divestment’s benefit to mankind and double that gift by divesting in the arms trade too”.⁶¹

University of Glasgow students who wish to get involved in a divestment campaign can contact the Glasgow University Amnesty group: campaigns@guamnesty.org.uk.

5.2 University of Strathclyde

We have not found a University of Strathclyde investment policy related to nuclear weapons. We submitted a freedom of information request to University of Strathclyde regarding its investments and the response dated 20 July 2018 shows that two of the university’s endowment funds hold shares worth a total of **£336,963** in BAE Systems. BAE Systems is one of the world’s largest arms companies and produces key components for the nuclear arsenals of the UK, the US and France. BAE is also constructing Britain’s four new nuclear-armed “Dreadnought” submarines.

We suggest that concerned University of Strathclyde students contact the university’s principal to explain why the university should divest from nuclear weapons producers and adopt a nuclear weapons divestment policy (see section 1 for reasons why organisations should divest).

⁵⁹ <https://www.gla.ac.uk/myglasgow/sustainability/ethicalinvestment/>

⁶⁰ <https://www.gla.ac.uk/myglasgow/finance/staffsections/financialoperations/financialreporting/endowmentsinvestmentsimportsandvat/sociallyresponsibleinvestmentpolicy/>

⁶¹ <https://www.commonspace.scot/articles/211/msp-calls-glasgow-university-drop-investment-arms-trade>

Strathclyde University students could also contact (<https://caatunis.net/>) or People and Planet (<https://peopleandplanet.org/>) for information about how to get involved in student divestment campaigns.

5.3 University of Edinburgh

The University of Edinburgh recently changed its policy on arms investments in response to a five-year responsible investment campaign led by students.

In May 2015, protesters from People and Planet occupied Charles Stewart House, the university's main financial office, to demand that the university fully divest from arms and fossil fuels. In response to this pressure, the university announced in October 2015 that it "has not and will never" invest in "controversial armaments".⁶² The university's definition of controversial armaments⁶³ includes nuclear weapons but, at this time, the university still held shares in Rolls Royce. Rolls Royce has been involved in the project to design Britain's new nuclear-armed submarines⁶⁴ and will manufacture the submarines' nuclear reactors.

The student campaigners responded that this policy was "nowhere near good enough", as it still permitted investment in lethal weapons.⁶⁵ The university continued to hold shares in drone company Meggit plc and Martin Marietta, a subsidiary of Lockheed Martin, as well as the shares in Rolls Royce.

In February 2016, the university changed its policy, announcing that it would no longer invest in coal or tar sands or in companies that get 20% or more of their revenue from arms sales.⁶⁶ In April 2016, the university told student campaigners that it no longer held investments in arms companies.⁶⁷ A list of investments as at January 2018 shows that the University of Edinburgh has no direct holdings in the companies listed in section 2.⁶⁸ However, as it stands, the policy still allows investment in companies which get less than 20% of revenue from arms sales.

University of Edinburgh students wishing to get involved in the divestment campaign can contact People and Planet Edinburgh: <https://www.facebook.com/edunipeopleandplanet/>

5.4 University of St Andrews

The University of St Andrews has an investment policy which does not specifically mention nuclear weapons, but which prohibits investment in arms companies. The university's "Financial Operating Procedure - Sustainable & Responsible Investing" states that the university's investment managers should consider several criteria when making investment decisions, including the "promotion of international co-operation and an end to international conflict including a prohibition of companies which produce armaments".⁶⁹

⁶² <http://www.studentnewspaper.org/university-of-edinburgh-arms-investment-policy-condemned-by-activists/>

⁶³ <https://www.ed.ac.uk/about/sustainability/themes/responsible-investment/reviews/armaments>

⁶⁴ <https://uk.reuters.com/article/uk-britain-nuclear/uk-steps-closer-to-renewing-nuclear-firepower-idUKBRE84LOHN20120522>

⁶⁵ <http://www.studentnewspaper.org/university-of-edinburgh-arms-investment-policy-condemned-by-activists/>

⁶⁶ <http://www.studentnewspaper.org/edinburgh-university-revises-ethical-investment-policy-following-push-from-students/>

⁶⁷ <https://investethically.wordpress.com/2016/04/04/a-year-on-and-edinburgh-university-still-has-commitment-issues/>

⁶⁸ <https://www.ed.ac.uk/finance/transparency/foi/investments>

⁶⁹ https://www.st-andrews.ac.uk/media/finance/documents/SSRI_FOP.pdf

A list of the university's investments dated July 2017 showed that it had no investments in the nuclear weapons producers listed in section 2.⁷⁰

5.5 University of Aberdeen

The University of Aberdeen's sustainable investments policy states that "the Funds will not invest in companies involved in the manufacture of controversial weapons including cluster bombs, landmines, nuclear weapons (systems or components), biological/chemical weapons systems or components) and depleted uranium weapons manufacturers".⁷¹

However, we could not find a list of assets on the university's website and the university's response to our freedom of information request did not provide sufficient detail to verify whether the university has investments in any of the companies listed in section 2. We encourage University of Aberdeen students to seek this information.

6. Scottish financial institutions financing nuclear weapons

This section contains information about the Scottish financial institutions that invest in nuclear weapons producers drawn from the 2018 DBOTB Report (Maaïke Beenes and Susi Snyder, "Don't Bank on the Bomb: A Global Report on the Financing of Nuclear Weapons Producers", PAX (March 2018)).

The report's Hall of Shame⁷² lists significant investments⁷³ made by financial institutions in the world's top 20 nuclear weapons producing companies between 2014 and 2017. The report covers financing provided by banks, pension funds, insurance companies and asset management companies in the form of loans, credit facilities, the owning or managing of shares and bonds and assistance with share and bond issuances.

Two Scottish financial institutions feature in the Hall of Shame: Royal Bank of Scotland Group and Standard Life Aberdeen, who between them made over **£2.8 billion** available to 15 of the top 20 nuclear weapons producers between 2014 and 2017. The report also shows that Lloyds Banking Group, which includes Bank of Scotland and has a registered headquarters in Edinburgh, made **£1.9 billion** available to 12 of the top 20 companies during this period.

The report's Hall of Fame⁷⁴ highlights financial institutions with comprehensive policies prohibiting any financial involvement with nuclear weapons producers, while the "Runners-up"⁷⁵ category includes financial institutions which have a policy that is not comprehensive, such as RBS Group (see section 6.2.1 below).

A note on the figures in this section: Figures in this section are approximate as they were converted to GB pounds from the US dollar amounts in the 2018 DBOTB report, which are rounded to the nearest million. We used the exchange rate as at 31 March 2018: 1 USD = 0.713637 GBP.

6.1 Royal Bank of Scotland Group

Royal Bank of Scotland Group is headquartered in Edinburgh and currently holds more than £738 billion in assets. Key subsidiaries of the group include Royal Bank of Scotland, NatWest and

⁷⁰ <https://www.st-andrews.ac.uk/staff/money/financialstatements/>

⁷¹ <https://www.abdn.ac.uk/staffnet/documents/policy-zone-sustainability/2013-09-Investment-FINAL.pdf>

⁷² https://www.dontbankonthebomb.com/2018_who-invests/

⁷³ Significant is defined as providing loans, investment banking or holdings above a threshold of 0.5% of all outstanding shares or bonds.

⁷⁴ <https://www.dontbankonthebomb.com/2018-hof/>

⁷⁵ https://www.dontbankonthebomb.com/2018_runners-up/

Ulster Bank, as well as private banking subsidiaries Coutts & Co, Adam and Company and Drummonds Bank.⁷⁶

The group has a policy which restricts investments in nuclear weapons producers (see section 6.1.2), but it is still heavily invested in 15 of the world's top 20 nuclear weapons producing companies. The 2018 DBOTB report shows that RBS Group made approximately **£2.6 billion** available to the following companies between 2014 and 2017:

Company	Amount (£ million)
Airbus	95.6
BAE Systems	93.5
Bechtel	727.9
Boeing	222.6
BWX Technologies	42.8
General Dynamics	122.0
Honeywell International	218.4
Huntingdon Ingalls Industries	124.2
Jacobs Engineering	289.7
Larsen & Toubro	25.0
Lockheed Martin	89.9
Northrop Grumman	270.5
Safran	130.6
Serco	69.9
Thales	87.0
Total	2,609.6

RBS Group provided financing to these companies in the form of loans and through the underwriting of bond issuances (see Appendix 1 for details).

6.1.1 RBS Group's policy

RBS Group's defence sector Environmental, Social and Ethical Risk (ESE) Policy treats companies differently according to where they are based and which nuclear weapons programmes they are involved in.⁷⁷ The policy states:

- The bank does “not support customers and/or transactions involved in prohibited activities”. Prohibited activities include the “financing of companies involved in the manufacture, sale, trade, broking, servicing or stockpiling of Nuclear Weapons in jurisdictions outside NATO countries and that are not officially involved in and accredited to the national nuclear weapons programmes of UK, US or France”.
- Companies involved in restricted activities “undergo enhanced due diligence including review by a reputational risk forum or approver and evaluation every one or two years”.

⁷⁶ <https://investors.rbs.com/~media/Files/R/RBS-IR/results-center/23-02-2018/announcement-23022018.pdf>

⁷⁷ https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/Downloads/Defence_policy_Dec_2016.pdf

Restricted activities include the “financing of companies involved in the manufacture, sale, trade, broking, servicing or stockpiling of Nuclear Weapons and the manufacture or sale of Bespoke Components in NATO countries and are officially involved in and accredited to the national nuclear weapons programmes of only UK, US or France”.

This policy is not comprehensive (see section 8.1) as companies that are involved in “restricted” nuclear weapons activities, such as BAE Systems and Lockheed Martin, are not automatically excluded from RBS Group investment. Moreover, the policy only covers RBS Group’s lending and investment banking operations, not its asset management activities, meaning that the bank can invest in companies involved in “prohibited” activities on behalf of third parties.

The DBOTB Scotland network wrote to RBS Group’s chief executive Ross McEwan in April 2018 requesting that the bank adopt a comprehensive policy prohibiting any involvement with nuclear weapons producers. The response stated that the group regularly reviews its ESE policies and had “noted the United Nations Treaty on the Prohibition of Nuclear Weapons in July 2017 and also the UK’s response and intention not to sign or ratify”. The response said that “in light of this we did not carry out a reassessment of our Defence Sector ESE policy position”.

We believe that RBS Group can be persuaded to change its policy if enough customers tell the bank that they will move their money unless it stops funding nuclear weapons. Please write to RBS Group’s CEO Ross McEwan to request that the bank adopt a comprehensive policy against nuclear weapons investment: ross.mcewan@rbs.co.uk. See section 8.2 for guidance on how to engage with banks and see Appendix 3 for our template letter.

6.2 Lloyds Banking Group (Bank of Scotland)

Britain’s third largest bank, Lloyds Banking Group plc, was formed by the merger of Halifax Bank of Scotland and Lloyds TSB in 2009. Its operational headquarters are in London but it has registered headquarters in Edinburgh, and most of Bank of Scotland’s customers are based in Scotland.

The 2018 DBOTB report found that Lloyds Banking Group made approximately **£1.9 billion** available to 11 of the world’s top 20 nuclear weapons producers between 2014 and 2017:

Company	Amount (£ million)
Aecom	17.8
Airbus	47.0
BAE Systems	93.5
Boeing	306.9
Flour	150.6
General Dynamics	249.8
Honeywell International	94.9
Jacobs Engineering	44.2
Lockheed Martin	777.9
Northrop Grumman	64.2
Serco	69.9
Total	1,917

Lloyds Banking Group provided financing to these companies in the form of loans and through the underwriting of bond issuances (see Appendix 1 for details).

The group has a policy covering its lending activities which states that “we undertake robust due diligence on all customers who may be involved in the following activities ... the manufacture, trading, storage or servicing of Nuclear weapons or Depleted Uranium ammunition (or components)”.⁷⁸ This policy applies to Lloyd’s subsidiaries, including Bank of Scotland. DBOTB Scotland network asked Lloyds Banking Group whether Bank of Scotland provides financing to any of the top 20 nuclear weapons producers but the bank’s Responsible Business and Inclusion unit declined to provide this, citing customer confidentiality.

Lloyds Banking Group’s policy also states that companies involved in producing weapons which are prohibited by international convention “will be prohibited from doing business with us”. We asked the group’s Responsible Business and Inclusion Unit whether it agrees that this should apply to nuclear weapons producers, since nuclear weapons are now banned by international convention, and whether the group would therefore commit to ending its involvement with nuclear weapons producers. We also asked whether the group has a policy covering activities other than lending. We have not yet received a response.

We encourage you to email Lloyds Banking Group’s CEO, Antonio Horte-Osorio, to request that the group stop financing nuclear weapons producers and adopt a comprehensive policy prohibiting involvement with them: antonio.osorio@lloydsbanking.com. See section 8.2 for guidance on how to engage with banks and see Appendix 3 for our template letter.

6.3 Standard Life Aberdeen

Investment company Standard Life Aberdeen was created by the merger of Standard Life and Aberdeen Asset Management in 2017. Headquartered in Edinburgh, Standard Life Aberdeen is reported to be Europe’s second biggest fund manager, with £670 billion in client funds.⁷⁹

Standard Life Aberdeen owned or managed shares worth approximately **£215 million** in three of the world’s top 20 nuclear weapons producers between 2014 and 2017 (see Appendix 1):

Company	Amount (£ million)
BAE Systems	169.8
Jacobs Engineering	33.5
Serco	12.1
Total	215.4

Each of these companies is involved with Britain’s nuclear weapons programme. BAE Systems produces key components for the Trident II (D5) nuclear missiles that are used by the US and UK and is constructing the UK’s four new nuclear-armed “Dreadnought” submarines. Jacobs Engineering and Serco, together with Lockheed Martin, form the consortium that manages the Atomic Weapons Establishment, where Britain’s nuclear warheads are manufactured.

⁷⁸ <http://www.lloydsbankinggroup.com/globalassets/our-group/responsible-business-2016---archive/download-centre/lbg-sector-statements-final.pdf>

⁷⁹ <https://www.independent.co.uk/news/business/news/standard-life-aberdeen-asset-management-merger-deal-11-billion-a7892316.html>

If you are a customer of Standard Life Aberdeen or a concerned citizen, please consider writing to the company to request that it divest from nuclear weapons producers and adopt a comprehensive policy prohibiting involvement with them (see Appendix 3 for our template letter).

7. Other British financial institutions investing in nuclear weapons

Several other British financial institutions which operate in Scotland appear in the 2018 DBOTB's report's Hall of Shame. A UK-specific version of the report shows that 26 British financial institutions together made an estimated **£24.5 billion** available to nuclear weapons companies between January 2014 and October 2017.⁸⁰

Barclays, Britain's second largest bank, has a policy which prohibits transactions related to the "trade in, or manufacture of nuclear weapons". However, the policy is not comprehensive and Barclays made more than £5.6 billion available to nuclear weapons producers between 2014 and 2017, making it by far the largest British investor.

Britain's largest Bank, HSBC, made more than £2.3 billion available to nuclear weapons producers during the period. HSBC has a policy covering the defence sector which states that the bank will not provide financing to companies which manufacture or sell anti-personnel mines or cluster bombs and states that the bank "does not provide financial services to customers who solely or primarily manufacture or sell other weapons".⁸¹ This means that the bank can still finance companies which are heavily involved in weapons work, but which also undertake other activities, and the policy does not specifically restrict the financing of nuclear weapons producers.

For more information on how you can encourage British financial institutions to divest, see section 8.

8. Nuclear weapons divestment: what you can do

Anyone who has a bank account or a pension can play a key role in the global movement against nuclear weapons by joining the campaign for divestment.

In Scotland, campaigning for divestment offers us a way to undermine the financial support for Britain's Trident nuclear weapons programme. A majority of Scots and the Scottish government opposed Trident renewal, but the project is going ahead because of the political support that it received from the Conservative Party and the UK Labour Party. If we can persuade Scottish financial institutions to divest from nuclear weapons producers, this will incentivise those companies to end their involvement with Trident and other nuclear weapons programmes.

This section contains information about how you can engage with your bank and pension fund on nuclear weapons divestment (sections 8.2 and 8.3), as well as information about approaching your local authority (section 8.4) and the Scottish Parliamentary Pension Scheme (section 8.5).

8.1 Aim: to persuade financial institutions to adopt comprehensive policies prohibiting financial involvement with nuclear weapons producers

Divestment is intended to create an incentive for companies to stop producing nuclear weapons by cutting off their access to financing. The most effective way of doing this is for financial institutions to adopt *comprehensive* policies that prohibit any financial involvement with all nuclear weapons producers.

⁸⁰ https://www.dontbankonthebomb.com/wp-content/uploads/2018/03/2018_United-Kingdom.pdf

⁸¹ <https://www.hsbc.com/-/media/hsbc-com/citizenship/sustainability/pdf/100210defencepolicy.pdf>

Comprehensiveness is key. Why? Banks may make money available to a company on the condition that it is not used for nuclear weapons activities, but “[t]here is no way to prevent a company from reallocating money once it’s been invested”.⁸² Therefore, “[t]he only way to make sure the investments do not facilitate the production of nuclear weapons or key components of nuclear weapons is to exclude the company as a whole”.

If a bank has a policy which only prohibits the financing of specific nuclear weapons projects, or if the policy only covers some of the bank’s activities, nuclear weapons producers will still be able to access financing. This will not create enough of an incentive for them to stop producing nuclear weapons.

The DBOTB report defines a comprehensive policy as one that meets the following criteria:⁸³

Excludes all nuclear weapon associated companies

The policy excludes:

- whole companies, not only nuclear weapons related projects
- companies associated with nuclear weapons, including through joint ventures
- companies regardless of their country of origin
- companies regardless their country of operation

Excludes all nuclear weapon associated activities

The policy excludes companies associated with:

- development, testing, production, maintenance or trade of nuclear weapons related technology, parts, products or services
- delivery systems such as missiles, that are specifically developed for nuclear tasks. It does not include delivery platforms such as bombers and submarines

Apply to all the institution’s products and services - commercial banking, investment banking and asset management.

The institution applies the policy:

- for the entire group, including subsidiaries
- in all markets
- to all asset management classes – passive and active, internal and external
- to all existing and future investments.

There are 22 examples of comprehensive policies in the DBOTB report’s Hall of Fame. The Runners-up category includes information about another 41 financial institutions which have policies that partially restrict nuclear weapons financing. Each financial institution in the Runners-up category is rated for its policy comprehensiveness, with one star awarded for meeting each of the three criteria above and another star awarded if the institution is found to have no investments in nuclear weapons producers.

8.1.1 Example of a comprehensive policy: Co-operative Bank

The Co-op Bank is the only British Financial Institution in the DBOTB report’s Hall of Fame. Its Ethical Policy prohibits the financing of the “manufacture or transfer of indiscriminate weapons”, which includes nuclear weapons.

⁸² <https://www.dontbankonthebomb.com/no-excuses-for-profiting-from-armageddon/>

⁸³ <https://www.dontbankonthebomb.com/2018-hof/>

The policy is not limited to the financing of nuclear weapons-related projects but prohibits the bank from *any* financial involvement with companies that are involved in nuclear weapons production. The policy covers *all* The Co-operative Bank's products and services. Consequently, the Co-op bank has no investments in nuclear weapons producers listed in the Hall of Shame and achieves a four-star rating in the 2018 DBOTB report.

8.1.2 Example of a policy that is *not* comprehensive: RBS Group

RBS Group's defence sector Environmental, Social and Ethical Risk (ESE) Policy states that the Group will not finance companies which are involved in nuclear weapons programmes, other than those of the UK, US or France.⁸⁴ Companies involved in the nuclear programmes of the UK, US and France "undergo enhanced due diligence including review by a reputational risk forum or approver and evaluation every one or two years". This means that major nuclear weapons producers, like BAE Systems and Lockheed Martin, are not automatically excluded from RBS Group investment. Moreover, the policy only covers RBS' lending and investment banking operations, not its asset management activities, meaning that the bank can invest in companies involved in "prohibited" activities on behalf of third parties.

The example of RBS Group illustrates the need for financial institutions to adopt comprehensive policies prohibiting any financial involvement with nuclear weapons producers. Without such a policy, investments in nuclear weapons can continue.

8.2 Action: Tell your bank to stop financing nuclear weapons producers

If you have money in a British bank account, there's a good chance that it is being used to fund nuclear weapons. The DBOTB report's Hall of Shame includes 26 British financial institutions which together made an estimated £24.5 billion available to nuclear weapons companies between January 2014 and October 2017.⁸⁵ See section 6 above for details of the Scottish banks which finance nuclear weapons.

The Co-operative Bank is the only British bank that has a comprehensive policy prohibiting financial involvement with nuclear weapons producers. Barclays, RBS Group, Lloyds and Standard Chartered, have policies concerning nuclear weapons, but they are *not* comprehensive and each has money invested in nuclear weapons producers.

Four steps towards divestment

Step 1: do your research

Find out:

- A:** Whether your bank is financing nuclear weapons producers (DBOTB Hall of Shame).
- B:** Whether your bank has a comprehensive policy prohibiting the financing of nuclear weapons producers (DBOTB Hall of Fame).

The DBOTB Campaigner Guide recommends that if your bank is not listed in the DBOTB report, it is best to write and ask the bank whether it has a policy related to nuclear weapons and whether it is financing any nuclear weapons producers.⁸⁶ This is because financial institutions are often not very transparent about their investments and it can be difficult to get the information from their websites.

⁸⁴ https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/Downloads/Defence_policy_Dec_2016.pdf

⁸⁵ https://www.dontbankonthebomb.com/wp-content/uploads/2018/03/2018_United-Kingdom.pdf

⁸⁶ https://www.dontbankonthebomb.com/wp-content/uploads/2015/10/2015_campaigner_guide-web.pdf

Step 2: express your concerns

If the bank either does not have a comprehensive policy or does have a comprehensive policy but is still financing nuclear weapons producers, write to your bank's Chief Executive to express your concerns. You can use our template letter (see Appendix 3) or compose your own including the following points:

- Say that you're an account holder.
- If the answer to **A** in step 1 above is yes, say that you are aware of the bank's financing of nuclear weapons producers and explain why you believe that the bank should end its relationship with these companies (see section 1 for arguments you can use in favour of divestment).
- If the answer to **B** in step 1 above is no, suggest that the bank adopt a comprehensive policy. There are many examples of comprehensive policies in the DBOTB report's Hall of Fame which you can point to. Check the report's Runners-up category, as the bank may already have a policy which can be strengthened.
- Let them know that you expect a response and say that you will move your money if the bank does not adopt a comprehensive policy.

Step 3: arrange a meeting

If the bank is unwilling to divest, try to arrange a meeting. You may wish to look for like-minded account-holders and approach the bank as a group. The DBOTB Campaigner Guide recommends that you go as high as you can, so try to get a meeting with a member of the board of directors or someone who is in a position to influence internal company policies. The Campaigner Guide has guidance on who you may wish to approach (page 18), along with tips on how to negotiate and how to rebut common arguments against divestment (pages 21 to 24).

Step 4: move your money

If you can't persuade your bank to change its policy, move your money to a bank with a comprehensive policy.

8.3 Action: Tell your pension fund to stop investing in nuclear weapons producers

Since 2008, all UK-based employers have had a statutory obligation to offer their employees a workplace pension scheme. An estimated £3 trillion is managed by private pension funds in the UK, giving us enormous scope to influence the behaviour of nuclear weapons producers. If the money in our pension funds can be directed away from nuclear weapons producers, this could force those companies to reconsider their involvement in nuclear weapons work.

Pensions can be complex and it may be necessary to do some research to find out where your pension is invested and who you should contact about the fund's policy. ShareAction is a charity that promotes responsible investment and has lots of useful resources for people who want to promote divestment. ShareAction's Pension Power Toolkit explains different types of pension funds, offers tips on how you can find out where your pension contributions are invested and includes a step-by-step guide for influencing pension fund policy. ShareAction's Education and Organising Team is available to provide further assistance and can be contacted via phone or email: 020 7403 7800; info@shareaction.org.⁸⁷

Four steps towards divestment

Step 1: do your research

Find out:

⁸⁷ ShareAction Pension Power Toolkit: <https://shareaction.org/wp-content/uploads/2016/09/MissionPensionPower.pdf>

A. Where your pension is invested and whether divestment is possible

If you're a member of a statutory pension scheme, for example if you work for NHS Scotland or teach in a state school, divestment will not be possible as your contributions are paid to the state.

If you work for a local authority, you will be a member of the Scottish Local Government Pension Scheme (see section 3 above) and there is scope to influence your fund's policy.

If you work for another type of employer, you should be enrolled in a workplace pension scheme. This might be a scheme specific to your company or something like the National Employment Savings Trust, which is a workplace pension scheme that can be used by any UK employer and currently has around 6 million members.

If your employer has not given you information about your pension scheme, you can request it. You can also contact ShareAction to help you with this: info@shareaction.org; 020 7403 7800; <https://shareaction.org>.

B: Whether the fund has investments in nuclear weapons producers

Check the DBOTB report's Hall of Shame, the pension fund's website or write to the fund. If you work for a local authority, you can check section 3 of this guide to see whether your pension fund is invested in nuclear weapons.

C. Whether the fund has a comprehensive policy prohibiting investments in nuclear weapons producers

Check the DBOTB report's Hall of Fame, the pension fund's website or write to the pension fund if necessary.

Step 2: express your concerns

Write to your pension fund's managers to explain your concerns, request that the fund divest from nuclear weapons producers and adopt a comprehensive policy. We suggest you include the following points:

- Say that you are a member of the fund.
- If the answer to **B** in step 1 above is yes, say that you are aware of the fund's investments in nuclear weapons and explain why you believe that the fund should divest (see section 1 for arguments that you can use).
- If the answer to **C** in step 1 above is no, suggest that the fund adopt a comprehensive policy prohibiting investment in nuclear weapons producers. There are many examples of comprehensive policies in the report's Hall of Fame which you can point to. Check the report's Runners-up category, as the fund may already have a policy which can be strengthened.
- Let them know that you expect a response and say that you will move your money if the fund does not adopt a comprehensive policy.

Step 3: arrange a meeting

Seeking a face-to-face meeting with representatives of the fund is the best way to effect change, according to ShareAction. ShareAction also recommends forming a group with like-minded fund members and approaching the fund collectively. You will need to decide who the best person is to approach for your fund and the Pension Power Toolkit gives some suggestions: it could be the fund's trustees, asset managers or designated responsible investment officers.⁸⁸ You can also

⁸⁸ <https://shareaction.org/wp-content/uploads/2016/09/MissionPensionPower.pdf>

contact your union, as there will often be union representatives serving as trustees of the pension fund.

Step 4: move your money

Workplace pension schemes often offer a choice of funds and you may be able to move your pension into an ethical fund with a policy relating to nuclear weapons. You can check whether the policy is comprehensive and whether the fund has investments in nuclear weapons producers as per step 1 above.

8.4 Action: Talk to your local councillor about the Local Government Pension Scheme's investments in nuclear weapons

Check section 3 of this guide to see whether the local government pension fund that covers your area has investments in nuclear weapons producers. If it does, you can write to your local councillors explaining why you think that the fund should divest, request that they pass on your concerns to the convenor of the pension fund committee, which administers the fund, and suggest that the council passes a resolution calling on the fund to divest (see Appendix 3 for our template letter).

You can find out who your local councillors are at www.writetothem.com. This site also allows you to email them using an online form. If you do not get a satisfactory response, you can seek a meeting with your councillors at their local surgery.

In 2015, new regulations came into force which require local authorities to create pension boards. Pension boards scrutinise decisions made by the pension committees and ensure that the operation of the pension funds is in accordance with the applicable law and regulation.⁸⁹ Your local councillor may sit on the authority's pension fund committee or the pension board and therefore be in a strong position to influence the fund's policy.

Most councils provide a list of pension committee and board members on their website:

Dumfries and Galloway

Pension committee members:

<http://egenda.dumgal.gov.uk/aksdumgal/users/public/admin/main.pl?op=ListCommitteeDetails&cmte=PEN>

Pension board members:

<http://egenda.dumgal.gov.uk/aksdumgal/users/public/admin/main.pl?op=ListCommitteeDetails&keyid=174>

Falkirk

Pension committee members: <http://www.falkirkpensionfund.org/falkirk-council-pension-fund/about-us/the-pension-committee/>

Pension board members: <http://www.falkirkpensionfund.org/falkirk-council-pension-fund/about-us/local-pension-board/>

Fife

See Appendix 2.

Highland

Pension committee and pension board members: <http://www.highlandpensionfund.org/highland-pension-fund/about-us/the-pension-committee/>

Lothian

Pension committee members:

http://www.lpf.org.uk/info/40/how_the_fund_works/30/how_the_fund_works/5

Pension board members: http://www.lpf.org.uk/info/40/how_the_fund_works/30/how_the_fund_works/7

⁸⁹ Local Government Pension Scheme (Governance) (Scotland) Regulations 2015: <http://www.legislation.gov.uk/ssi/2015/60/made>

North East Scotland

Pension committee members: <http://www.nespf.org.uk/TheFund/Governance/Committee.aspx>

Pension board members: <http://www.nespf.org.uk/TheFund/Governance/pboard.aspx>

Orkney Islands

Pension committee and board members: <http://www.orkney.gov.uk/Files/Committees-and-Agendas/Elected-Member-Appointments-2017-19.pdf>

Scottish Borders

Pension committee members: <http://lgps-brochureware-prod.azurewebsites.net/scottish-borders-council-pension-fund/about-us/the-pension-committee/>

Pension board members <http://lgps-brochureware-prod.azurewebsites.net/scottish-borders-council-pension-fund/about-us/local-pension-board/>

Shetland Islands

Pension committee and pension board members:

<http://www.shetland.gov.uk/finance/PensionFundGovernance.asp>

Strathclyde

Pension committee members: <https://www.spfo.org.uk/index.aspx?articleid=16036>

Pension board members: <https://www.spfo.org.uk/index.aspx?articleid=15814>

Tayside

Pension committee members: <http://www.taysidepensionfund.org/tayside-pension-fund/about-us/the-pension-committee/>

Pension board members: <http://www.taysidepensionfund.org/tayside-pension-fund/about-us/local-pension-board/>

What if they say no?

The pension fund managers may claim that divestment is not possible, but the reasons given for this can be countered.

It was reported in September 2017 that Inverclyde SNP Councillor Chris McEleny had written to the convenor of the Strathclyde Pension Fund committee to request that the fund divest from arms companies.⁹⁰ The investment manager of the fund replied that "Divestment based on a subjective, ethical viewpoint is not permissible and potentially subject to legal challenge in the context of a fund which is investing for the purpose of paying pensions liabilities to its members".

In the case of nuclear weapons, calls for divestment are not based on subjective, ethical grounds alone, but on an international treaty adopted by 122 countries. Thirty financial institutions have divested since the Treaty on the Prohibition of Nuclear Weapons was adopted in 2017, showing that a new norm against nuclear weapons investment is being established.⁹¹

Lothian pension fund gave a similar response when questioned by The Ferret about its investments in arms companies in October 2017.⁹² A spokesperson for the fund referred The Ferret to a statement on its website which cites the fund's fiduciary duty to its members and states that the fund "does not disinvest from companies for purely non-financial reasons, not least because this could lead to legal challenge".⁹³

Pension funds *do* have a legal obligation to act in the best interests of their members, but this can be interpreted more broadly than simply getting the highest returns on investments. It can be argued that fund members will have their best interests served by a fund which limits the threat of nuclear war by divesting from nuclear weapons producers. Moreover, legal advice from the scheme's

⁹⁰ http://www.heraldscotland.com/news/homenews/15567786.Scotland_s_biggest_public_pension_scheme_happy_to_keep_investment_in_arms_traders__but_can_t_say_who_they_sell_to/

⁹¹ <https://www.dontbankonthebomb.com/2018-dont-bank-on-the-bomb/>

⁹² <https://theferret.scot/council-pension-funds-bankrolling-arms/>

⁹³ <http://www.lpf.org.uk/>

advisory board clearly states that pension committees *can* take into account non-financial factors in their investment decisions, “so long as that does not risk material financial detriment to the Fund”.⁹⁴

The responses from Strathclyde and Lothian pension funds also questioned the effectiveness of divestment. Strathclyde said that divestment “reduces investor ability to engage and influence”, while Lothian’s statement says that engagement with companies “is preferable to a policy of divestment” because it “can lead to positive change in corporate behaviour and strategy”.

However, the DBOTB Campaigner Guide says that “most of the time there is no transparency about efforts to engage, which means it is impossible to know whether and in what way the engagement procedure is going”.⁹⁵ As the authors note, this “engagement” does not seem to have changed the behaviour of nuclear weapons producers so far. The example of cluster munitions discussed in section 1.5.2 of this guide suggests that policies which cut off access to financing will be more effective.

8.5 Action: Tell the Scottish Parliamentary Pension Scheme to stop financing nuclear weapons

The Scottish Parliamentary Pension Scheme is overseen by a board of trustees, most of whom are Members of the Scottish Parliament, and run by private investment fund managers Baillie Gifford. Information from 2015 showed that the fund had £244,517 invested in Rolls Royce.⁹⁶

Rolls Royce was involved in the development and maintenance of Britain’s current fleet of nuclear-armed Vanguard class submarines. Recently, the company has been involved in the project to design the new Dreadnought class submarines and will manufacture the submarines’ nuclear reactors. Rolls Royce is blacklisted for its involvement in nuclear weapons work by several financial institutions listed in the 2018 DBOTB report’s Hall of Fame.⁹⁷

If you are one of the many people in Scotland who opposes Trident, please write to your MSP to request that the fund divest from Rolls Royce (see section 1 for points you can include).

⁹⁴ <http://lgpsab.scot/wp-content/uploads/2016/06/Letter-to-Funds-on-Fiduciary-Duty.pdf>

⁹⁵ https://www.dontbankonthebomb.com/wp-content/uploads/2015/10/2015_campaigner_guide-web.pdf

⁹⁶ <https://foe.scot/scottish-parliament-invests-3-million-in-fossil-fuels-arms-and-tobacco/>

⁹⁷ <https://www.dontbankonthebomb.com/2018-hof/>

Appendix 1 – How Scottish financial institutions finance nuclear weapons

Source: Maaïke Beenes and Susi Snyder, "Don't Bank on the Bomb: A Global Report on the Financing of Nuclear Weapons Producers", Pax (March 2018). https://www.dontbankonthebomb.com/wp-content/uploads/2018/03/2018_Report.pdf

1. Royal Bank of Scotland (United Kingdom)

Royal Bank of Scotland (United Kingdom) has made an estimated US\$ 3658 million available to the nuclear weapons companies selected for this research project since January 2014.

Loans

Royal Bank of Scotland (United Kingdom) provided loans for an estimated amount of US\$ 3405 million to the nuclear weapon companies (see table below). The table shows all loans closed since January 2014 or maturing after September 2017:

Table 1 Loans provided by Royal Bank of Scotland

<i>Producer</i>	<i>Est. participation of this bank (US\$ mln)</i>	<i>Closing date</i>	<i>Maturity date</i>
<i>Airbus Group</i>	134	14-10-2014	14-10-2019
<i>BAE Systems</i>	131	12-12-2013	12-12-2018
<i>Bechtel</i>	150	14-6-2013	14-6-2018
<i>Bechtel</i>	300	14-6-2013	14-6-2018
<i>Bechtel</i>	120	19-9-2014	17-10-2019
<i>Bechtel</i>	300	19-9-2014	17-10-2019
<i>Bechtel</i>	150	19-9-2014	17-10-2019
<i>Boeing</i>	125	23-9-2014	15-10-2015
<i>Boeing</i>	125	23-9-2014	16-10-2019
<i>BWX Technologies</i>	33	11-5-2015	11-5-2020
<i>BWX Technologies</i>	27	11-5-2015	11-5-2020
<i>General Dynamics</i>	125	21-6-2013	21-6-2018
<i>General Dynamics</i>	46	10-11-2015	10-11-2020
<i>Honeywell International</i>	73	18-11-2013	10-12-2018
<i>Honeywell International</i>	120	10-7-2015	10-7-2020
<i>Honeywell International</i>	45	29-4-2016	28-4-2017
<i>Honeywell International</i>	5	28-4-2017	27-4-2018
<i>Huntington Ingalls Industries</i>	49	23-9-2013	6-11-2018
<i>Huntington Ingalls Industries</i>	65	23-9-2013	6-11-2018
<i>Jacobs Engineering</i>	62	7-2-2014	7-2-2019
<i>Jacobs Engineering</i>	62	7-2-2014	7-2-2019
<i>Jacobs Engineering</i>	39	7-2-2014	7-2-2019
<i>Jacobs Engineering</i>	55	5-3-2015	5-3-2020
<i>Jacobs Engineering</i>	137	5-3-2015	5-3-2020
<i>Jacobs Engineering</i>	50	28-9-2017	28-9-2020
<i>Larsen & Toubro</i>	5	27-8-2013	1-6-2018
<i>Larsen & Toubro</i>	7	27-8-2013	1-6-2018
<i>Larsen & Toubro</i>	11	27-8-2013	1-6-2018
<i>Larsen & Toubro</i>	11	27-8-2013	1-6-2018
<i>Lockheed Martin</i>	85	14-8-2014	14-8-2019
<i>Northrop Grumman</i>	355	29-8-2013	29-8-2018
<i>Safran</i>	183	4-12-2015	4-12-2020
<i>Serco</i>	45	12-3-2015	12-3-2019
<i>Serco</i>	53	31-3-2016	30-4-2020
<i>Thales</i>	122	19-12-2014	19-12-2019

Source: Thomson Reuters Eikon, "Loans", viewed in September/October 2017; Bloomberg, "Loans", viewed in September/October 2017.

Bond Issuances

Royal Bank of Scotland (United Kingdom) underwrote bond issuances for an estimated amount of US\$ 253 million to the nuclear weapon companies since January 2014 (see table below).

Table 2 Underwriting of bond issuances by Royal Bank of Scotland

<i>Company</i>	Est. participation of this bank (US\$ mln)	Issue date	Maturity date
<i>Boeing</i>	9	28-10-2014	30-10-2021
<i>Boeing</i>	9	28-10-2014	30-10-2017
<i>Boeing</i>	15	28-10-2014	30-10-2024
<i>Boeing</i>	8	18-2-2015	1-3-2035
<i>Boeing</i>	8	18-2-2015	1-3-2045
<i>Boeing</i>	14	18-2-2015	1-3-2025
<i>Honeywell International</i>	6	15-2-2016	22-2-2018
<i>Honeywell International</i>	6	15-2-2016	21-2-2020
<i>Honeywell International</i>	7	15-2-2016	22-2-2023
<i>Honeywell International</i>	4	15-2-2016	22-2-2028
<i>Honeywell International</i>	14	24-10-2016	1-11-2026
<i>Honeywell International</i>	2	24-10-2016	30-10-2019
<i>Honeywell International</i>	14	24-10-2016	1-11-2021
<i>Honeywell International</i>	12	24-10-2016	30-10-2019
<i>Huntington Ingalls Industries</i>	60	17-11-2014	15-12-2021
<i>Lockheed Martin</i>	14	12-2-2015	1-3-2025
<i>Lockheed Martin</i>	9	12-2-2015	1-3-2035
<i>Lockheed Martin</i>	18	12-2-2015	1-3-2045
<i>Northrop Grumman</i>	24	3-2-2015	15-4-2045

Source: Thomson Reuters Eikon, "Bond and share issue underwritings", viewed in September/October 2017; Bloomberg, "Bond and share issue underwritings", viewed in September/October 2017.

2. Lloyds Banking Group (United Kingdom)

Lloyds Banking Group (United Kingdom) has made an estimated US\$ 2,689 million available to the nuclear weapons companies selected for this research project since January 2014.

Loans

Lloyds Banking Group (United Kingdom) provided loans for an estimated amount of US\$ 1,834 million to the nuclear weapon companies (see table below). The table shows all loans closed since January 2014 or maturing after September 2017.

Table 3 Loans provided by Lloyds Banking Group

<i>Company</i>	Est. participation of this bank (US\$ mln)	Closing date	Maturity date
<i>Aecom</i>	25	29-9-2016	29-9-2021
<i>Airbus Group</i>	66	14-10-2014	14-10-2019
<i>BAE Systems</i>	131	12-12-2013	12-12-2018
<i>Boeing</i>	50	23-9-2014	15-10-2015
<i>Boeing</i>	50	23-9-2014	16-10-2019
<i>Boeing</i>	50	4-11-2015	3-11-2020
<i>Boeing</i>	50	4-11-2015	3-11-2016
<i>Boeing</i>	50	2-11-2016	2-11-2021
<i>Boeing</i>	50	2-11-2016	1-11-2017
<i>Fluor</i>	85	25-2-2016	25-2-2021
<i>Fluor</i>	100	25-2-2016	25-2-2021

<i>General Dynamics</i>	80	10-11-2015	10-11-2020
<i>Honeywell International</i>	73	18-11-2013	10-12-2018
<i>Honeywell International</i>	60	10-7-2015	10-7-2020
<i>Jacobs Engineering</i>	62	7-2-2014	7-2-2019
<i>Lockheed Martin</i>	50	14-8-2014	14-8-2019
<i>Lockheed Martin</i>	150	9-10-2015	9-10-2020
<i>Lockheed Martin</i>	240	9-10-2015	7-10-2016
<i>Lockheed Martin</i>	250	7-10-2016	9-10-2021
<i>Northrop Grumman</i>	64	8-7-2015	8-7-2020
<i>Serco</i>	45	12-3-2015	12-3-2019
<i>Serco</i>	53	31-3-2016	30-4-2020

Source: Thomson Reuters Eikon, "Loans", viewed in September/October 2017; Bloomberg, "Loans", viewed in September/October 2017.

Bond Issuances

Lloyds Banking Group (United Kingdom) underwrote bond issuances for an estimated amount of US\$ 855 million to the nuclear weapon companies since January 2014 (see table below).

Table 4 Underwriting of bond issuances by Lloyds Banking Group

<i>Company</i>	Est. participation of this bank (US\$ mln)	Issue date	Maturity date
<i>Boeing</i>	9	28-10-2014	30-10-2021
<i>Boeing</i>	9	28-10-2014	30-10-2024
<i>Boeing</i>	6	18-2-2015	1-3-2025
<i>Boeing</i>	8	18-2-2015	1-3-2035
<i>Boeing</i>	8	18-2-2015	1-3-2045
<i>Boeing</i>	8	27-10-2015	30-10-2022
<i>Boeing</i>	9	27-10-2015	30-10-2025
<i>Boeing</i>	11	27-10-2015	30-10-2020
<i>Boeing</i>	12	16-5-2016	15-6-2026
<i>Boeing</i>	16	16-5-2016	15-6-2046
<i>Boeing</i>	10	16-5-2016	15-6-2023
<i>Boeing</i>	7	14-2-2017	1-3-2022
<i>Boeing</i>	11	14-2-2017	1-3-2047
<i>Boeing</i>	8	14-2-2017	1-3-2027
<i>Fluor</i>	18	18-11-2014	15-12-2024
<i>Fluor</i>	9	14-3-2016	21-3-2023
<i>General Dynamics</i>	90	12-8-2016	15-8-2023
<i>General Dynamics</i>	90	12-8-2016	15-8-2026
<i>General Dynamics</i>	45	11-9-2017	15-11-2024
<i>General Dynamics</i>	45	11-9-2017	15-11-2027
<i>Lockheed Martin</i>	14	12-2-2015	1-3-2025
<i>Lockheed Martin</i>	9	12-2-2015	1-3-2035
<i>Lockheed Martin</i>	18	12-2-2015	1-3-2045
<i>Lockheed Martin</i>	41	16-11-2015	23-11-2020
<i>Lockheed Martin</i>	24	16-11-2015	23-11-2018
<i>Lockheed Martin</i>	16	16-11-2015	15-1-2023
<i>Lockheed Martin</i>	65	16-11-2015	15-1-2026
<i>Lockheed Martin</i>	16	16-11-2015	15-5-2036
<i>Lockheed Martin</i>	65	16-11-2015	15-5-2046
<i>Lockheed Martin</i>	132	7-9-2017	15-9-2052
<i>Northrop Grumman</i>	26	1-12-2016	1-2-2027

Source: Thomson Reuters Eikon, "Bond and share issue underwritings", viewed in September/October 2017; Bloomberg, "Bond and share issue underwritings", viewed in September/October 2017.

3. Standard Life Aberdeen (United Kingdom)

Standard Life Aberdeen (United Kingdom) has made an estimated US\$ 303 million available to the nuclear weapons companies selected for this research project since January 2014.

Shareholdings

Standard Life Aberdeen (United Kingdom) owns or manages shares of the nuclear weapon companies for an amount of US\$ 302 million (see table below). Only holdings of 0.50% or more of the outstanding shares at the most recent available filing date are included.

Table 5 Shareholdings managed by Standard Life Aberdeen

<i>Company</i>	<i>Total value (US\$ mln)</i>	<i>% Outstanding</i>	<i>Filing date</i>
<i>BAE Systems</i>	238	0.96	1-9-2017
<i>Jacobs Engineering</i>	47	0.73	30-6-2017
<i>Serco</i>	17	0.95	1-8-2017

Source: Thomson Reuters Eikon, "Share ownership: most recent filings", viewed in September 2017.

Appendix 2 - Membership of Fife Pension Fund committee and board as at 23 May 2018

Superannuation Fund and Pensions Sub-Committee

Cllr Dave Dempsey (Convener)
Cllr Bobby Clelland
Cllr Altany Craik
Cllr Colin Davidson
Cllr Fiona Grant
Cllr Mino Manekshaw
Cllr Kate Stewart
Cllr Alistair Suttie
Cllr Jonny Tepp

Fife Pension Board

Robert Graham (GMB) (employee representative)
John Ireland (Unite) (employee representative)
Gordon Pryde (Unison) (employee representative)
Colin Paterson (Unison) (employee representative)
Vicki Wyse (employer representative)
Cllr Ian Ferguson (employer representative)
Cllr Richard Watt (employer representative)
Vacancy (employer representative)

Information supplied by Fife Council via email.

Appendix 3 - Template letters

1. Letter to financial institutions

Dear [Chief Executive]

I am an account holder and I am writing to express my concern about [name of financial institution]'s relationship with nuclear weapons producers. A recent report published by Dutch organisation, PAX, shows that [name of financial institution] has made [insert amount from DBOTB report] to some of the world's major nuclear weapons producing companies since 2014: <https://www.dontbankonthebomb.com/2018-report/>

I strongly believe that [name of financial institution] should not be financing companies which produce weapons of mass destruction that are designed to destroy cities and kill hundreds of thousands of people. Any use of nuclear weapons would constitute a war crime, given their inherently indiscriminate effects. Moreover, a nuclear war using as few as 100 of the world's 15,000 nuclear weapons would have a devastating effect on the global climate, leaving at least two billion people at risk of starvation.

The unique danger posed by nuclear weapons was recognised by 122 countries through the adoption of the 2017 UN Treaty on the Prohibition of Nuclear Weapons. The treaty prohibits member states from manufacturing, acquiring, possessing or using nuclear weapon, or from assisting with these activities. The provision on assistance is widely understood to include financing and 30 financial institutions have ceased investing in nuclear weapons producers since the treaty was adopted. Scotland's First Minister has signed a pledge of support for the treaty, as have a majority of Members of the Scottish Parliament and a majority of Scottish MPs at Westminster.

I therefore urge [name of financial institution] to adopt a comprehensive policy which excludes all financial links with companies involved in the production of nuclear weapons. [IF APPROPRIATE] I am aware that [name of financial institution] already has a policy relating to nuclear weapons, but it is not comprehensive, as evidenced by [name of financial institution]'s continuing involvement with major nuclear weapons producers.

It is important to me that my personal money is not going to finance nuclear weapons producers. If [name of financial institution] does not change its policy on investment in nuclear weapons, I will move my money to an institution which has a comprehensive policy.

I look forward to your response.

Yours sincerely,

[Your name]

2. Letter to local councillors

Dear Councillor [Name]

I am a resident of [name of your ward] and I am writing to express my concern about [name of pension fund]'s investments in nuclear weapons companies.

A [list of assets / response to an FOI request] shows that [name of pension fund] has shares in companies that undertake nuclear weapons work. This means that [name of pension fund] is profiting from weapons of mass destruction, which are designed to destroy cities and kill hundreds of thousands of people, and which were recently outlawed by the UN Treaty on the Prohibition of Nuclear Weapons.

The Treaty prohibits member states from manufacturing, acquiring, possessing or using, nuclear weapon or from assisting with these activities. The provision on assistance is widely understood to include financing and 30 financial institutions have ceased investing in nuclear weapons producers since the treaty was adopted. First Minister Sturgeon has signed a pledge of support for Treaty, as have a majority of Members of the Scottish Parliament and a majority of Scottish MPs at Westminster.

Given the unique destructive power of nuclear weapons, and the fact that they are now prohibited by an international convention which is supported by the Scottish government, I believe that it would be appropriate for [name of pension fund] to divest from companies that undertake nuclear weapons work. [Name of pension fund] has a fiduciary duty to act in the best interests of its members and there is a financial risk investing in companies that are associated with the production of illegal weapons.

I would be very grateful if you could pass my concerns on to the convenor of the [name of pension fund] committee and forward me their response. This should be a concern of the council as a whole so please let me know if there are ways to cooperate in passing a council resolution calling on the pension fund to divest from nuclear weapons.

I look forward to hearing from you.

Yours sincerely

[Your name]



Don't Bank on the Bomb Scotland is a network of individuals campaigning for Scottish organisations to divest from companies that are involved in the production and maintenance of nuclear weapons and their delivery systems. We are part of the International Campaign to Abolish Nuclear Weapons (ICAN) network in Scotland.

Don't Bank on the Bomb Scotland members:

Guy Johnson (Medact), Brian Larkin (Edinburgh Peace and Justice Centre), Michael Orgel (Medact), Linda Pearson (Edinburgh CND), Arthur West (Scottish CND)

website: nukedivestmentscotland.org
email: nukedivestmentscotland@gmail.com
Twitter: @NukeDivestScot

This guide was researched written by Linda Pearson. References to the 2018 DBOTB throughout are to: Maaïke Beenes and Susi Snyder, "Don't Bank on the Bomb: A Global Report on the Financing of Nuclear Weapons Producers", PAX (March 2018). We would like to acknowledge the kind assistance of Susi Snyder in reviewing the content of this guide prior to publication.