

Five years on and the future, it seems, is vertical



Karen Shackleton

On Pensions for Purpose's fifth anniversary, our founder reflects on what in impact inspires her



I can't quite believe we are coming up to our fifth anniversary at Pensions for Purpose. Our launch event certainly seems a long time ago... and we have grown so rapidly since those early days.

It's exciting, inspiring and a little bit scary too, when we are still a relatively small team!

Our first conference

I was thinking back to our first impact investing conference (co-partnered with DG Publishing). At that event, we invited sponsors to set up an exhibition stand which demonstrated the impact that their investments were delivering. We had moving films about helping the homeless, posters highlighting the need for climate action and more. One stand captivated me though. Gresham House were exhibiting a miniature vertical farm. It was the

first time I had heard the term and I was intrigued. Not only that, but Gresham were inviting delegates to pop a business card into a bowl; one would be picked out at the end of the conference and the winner could take home that vertical farm. How I wanted to win it! Fortunately, integrity got the better of me: after all, the conference organiser winning a prize wasn't exactly appropriate! My business card was handed out to one of the delegates, instead...

Vertical farming

But vertical farming has intrigued me ever since. Heather Fleming at Gresham House repeatedly invited me to join them at a site visit but the diary never quite allowed it... until recently. To say I was excited about going to a vertical farm is an understatement. I love investment opportunities that address real-world global challenges, deliver



PICTURE CREDIT: GRESHAM HOUSE / FISHER FARMS

Vertical farming in action at Fischer Farms, Lichfield

positive impact and yet still offer investors a strong return. My visit to Fischer Farms in Lichfield did not disappoint.

Fischer Farms site visit

Tristan, the innovator behind the farm, told us how he first began farming beneath his wife's dressing table. I guess that was a good use of a dead space but I'm not sure how I would have reacted to a tray of plants in the bedroom! Tristan then expanded to farming out of a storage container, developing the technology and fine-tuning production. Our site visit was to 'Farm 1', now a purpose-built building with around 1,000 trays of leafy vegetables growing under LED lighting. 'Farm 2' is going to be at least seven and a half times that size. Tristan then has plans to expand Farm 2 by five ... and, not surprisingly, he then wants to go global. Look out for vertical farm products on your supermarket shelves once they get into major production! We sampled some of the lettuce and it was exceptionally tasty

– far nicer than standard supermarket salad. And I have no doubt that Tristan is someone who can deliver his vision. It oozed out of him the whole day long.

I love a good story and this one ticked all my boxes. Tristan gave a strong investment case: the world's growing population and need for food, the impact of climate change leading to water shortages and droughts that destroy crops, the carbon cost of transporting food around the world... what if there was a way of growing food efficiently and quickly, in a local market, using renewable energy? Strong investment thesis? Tick!

Inside the farm

We then went into the farm building. Full PPE is required to protect the environment in which the plants grow - bacteria or bugs are not a vertical farm's friend. But the production line is phenomenal. Crops being harvested every seven days, using a fraction of the water compared with traditional



CREDIT: GRESHAM HOUSE / FISHER FARMS

Processing the harvest at Fischer Farms

farming. The ability to get from harvest to cold storage in no more than five minutes leading to longer shelf lives in supermarkets (think how long this would take on a traditional farm). Not only that, the growing conditions are so constant production is possible all year round. No storms, no downpours, no heatwaves... A four-acre plot can produce the same quantity of leafy vegetables as a 1,000 acre traditional farm. Aren't you excited about this too?

Why does this matter to me so much? Well over the past five years, I've listened to a lot of impact managers' stories. I get excited when I realise there are genuine ways to tackle global challenges using pension fund capital whilst still delivering a good return. OK... perhaps I do have a bit of a sad life, if that is what excites me, but since launching Pensions for Purpose I have had a strong desire to mobilise pension fund capital towards impact investment. I have Resonance to thank for that: I had a similar experience several years ago, when I visited one of their charity partners' hostels, helping the homeless in such a positive and encouraging way. It inspired me and made me realise just what a

difference pension fund capital could make to the social and environmental challenges that we face.

Impact investing five years on

After five years of encouraging pension fund investors, asset managers, investment consultants, government representatives and legal firms, bringing you all together at our discussion forums, I genuinely believe we are beginning to see change happen. Pension funds are far more interested in bringing purpose into their investment strategies, aligning their investments with their fiduciary responsibilities as well as their social and environmental investment beliefs. Capital is beginning to be deployed and success stories shared.

When an impact manager asks me to hear their product pitch, I WANT to feel excited, but first they must pass my 'investment adviser' financial criteria before speaking to my 'impact enthusiasm'. I look for authenticity in the eyes of those I meet, not just a look of resignation that suggests "this is what's trending at the moment so I'd better pull an investment product together" ... or even worse... "I don't really care about impact but I can see this is a great way to attract new money".

I want to see lives transformed, both on my doorstep and further afield... and let's face it, we aren't going to run out of issues to tackle anytime soon. So, I'm afraid you will have to bear with me for just a little bit longer, because I still plan to be talking about impact investment for pension funds, until the day I retire.

Happy fifth anniversary, Pensions for Purpose team. You are all amazing!