

# RESPONSIBLE INVESTMENT POLICY

Committee	Pensions Committee
Officer Reporting	James Lake, Finance Yvonne Thompson-Hoyte, Finance
Papers with report	Draft Responsible Investment Policy

## HEADLINES

The purpose of this report is to introduce the draft London Borough of Hillingdon Pension Fund Responsible Investment Policy (RI).

Arising out of a responsible investment report that was presented at the Pensions Committee of 17 July 2019, it was noted that the LB Hillingdon Pension Fund did not have a responsible investment policy. The Committee agreed to discuss responsible investment in a workshop setting, out of which a sub-group was commissioned to draft a responsible investment policy.

The draft policy was reviewed by the Corporate Director of Finance and the Pensions Committee and Board via email circulation in December 2019.

An additional paragraph has been added to the 'Responsibilities and Governance' section of the policy to include the role of the Local Pension Board. The new section of the policy is highlighted in yellow.

## RECOMMENDATIONS

**It is recommended that the Pensions Committee:**

- 1. Approve the Responsible Investment Policy included at Appendix 1**

## SUPPORTING INFORMATION

The Responsible Investment Policy (RI) outlines how the LB Hillingdon Pension Fund (the Fund) will incorporate Environmental Social and Governance (ESG) considerations into investment decision making.

The Responsible Investment Policy complements and expands on the ESG paragraph included in the Investment Strategy Statement to comply with the LGPS (management and investment of funds) Regulations 2016 regulation 7(1)(e) (the Regulations)

The Regulations require that the authority's investment strategy must include among other things a policy on how social, environmental and corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments.

This policy provides a framework to monitor compliance of the fund with ESG matters.

### **FINANCIAL IMPLICATIONS**

Financial implications are included in the body of the report

### **LEGAL IMPLICATIONS**

There are no legal implications in the report