Report for: Pensions Committee and Board – 01 December 2025

Item number:

Title: Responsible Investment Policy

Report authorised by: Taryn Eves, Director of Finance and Resources (Section 151 Officer)

Lead Officer: Jamie Abbott, Head of Pensions
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Ward(s) affected: N/A

Report for Key/ Non Key Decision: Non Key Decision

1. Describe the issue under consideration

1.1. The Fund has finalised its draft Responsible Investment Policy to ensure that it remains aligned with best practice, regulatory requirements, and the long-term interests of members and stakeholders.

1.2. Responsible investment has become an increasingly important aspect of pension fund governance, reflecting the need to integrate environmental, social, and governance (ESG) considerations into investment decision-making.

2. Cabinet Member Introduction

2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is recommended:

3.1. To note and provide any comments regarding the draft responsible investment policy (Appendix 1)

3.2. Approve the draft Responsible Investment Policy to be issued for consultation.

4. Reason for Decision

4.1. To strengthen the integration of environmental, social, and governance (ESG) considerations into all aspects of investment decision-making, manager oversight, and engagement activities, thereby supporting long-term financial health of the fund.

4.2. To provide greater transparency and accountability by consulting with stakeholders before final adoption, ensuring that the policy reflects the views and priorities of members, employers, and other interested parties.

4.3. To align the Fund's long-term investment approach with its fiduciary duty to members and beneficiaries, ensuring that capital is managed responsibly in a way that balances financial returns with sustainability objectives.

5. Other options considered

5.1. Not applicable.

6. Background information

6.1. Following an extensive review of the pension fund's investments and underlying holdings, the Pensions Committee and Board undertook modelling to assess different levels of exposure thresholds to Environmental, Social, and Governance (ESG) risks. This analysis was designed to evaluate how varying degrees of ESG risk could impact the Fund's long-term performance, resilience, and alignment with its Responsible Investment Policy. The modelling exercise provided a framework for understanding potential vulnerabilities within the portfolio and informed the Committee's approach to setting appropriate thresholds that balance financial returns with sustainability objectives.

6.2. The Responsible Investment (RI) Policy is designed to clearly articulate the investment beliefs of the Pensions Committee and Board (PCB) and the Haringey Pension Fund. It sets out the principles that guide how the Fund approaches responsible investment, ensuring that environmental, social, and governance (ESG) considerations are embedded within the decision-making process. This is through highlighting the key ESG factors that apply to investment decisions.

6.3. Within the policy sits the Fund's engagement framework, which provides a structured approach to monitoring, assessing, and engaging with fund managers and the asset pool. This framework outlines how the Fund will actively pursue dialogue and influence to ensure that its holdings are aligned with its stated investment beliefs and Responsible Investment principles.

6.4. The framework highlights the steps the Fund can take to encourage positive change, including setting clear expectations, tracking progress, and escalating engagement where necessary. Importantly, it also establishes the Fund's position should engagement fail: the potential to reduce exposure or divest from assets that remain misaligned with its ESG objectives. This ensures that the Fund retains both accountability and flexibility in managing risks while reinforcing its commitment to responsible stewardship.

6.5. The Pension Fund will continue to actively engage with London Collective Investment Vehicle (LCIV) and the wider pensions community throughout the consultation period. This ongoing dialogue will ensure the Fund remains informed of any developments, regulatory updates, or emerging best practices that could influence the future direction of the Responsible Investment Policy. By maintaining close engagement, the Fund can make clear its expectations on responsible investment as outlined in the draft policy and for implementation, with the go live date of 01 April 2026.

7. Contribution to Strategic Outcomes

7.1. Not applicable

8. Carbon and climate change

8.1. Not applicable.

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

9.1. There are no financial implications arising from this report.

Director for Legal and Governance [Fiona Alderman]

9.2. The Director for Legal and Governance has been consulted on the content of this report. There are no specific legal implications arising from this report.

Equalities

9.3. Not applicable.

10. Use of Appendices

10.1. Appendix 1: Haringey Responsible Investment Policy

11. Local Government (Access to Information) Act 1985

11.1. Not applicable.