

**Report for:** Pensions Committee and Board – 17 March 2026

**Item number:** 8

**Title:** Responsible Investment Policy

**Report authorised by:** Taryn Eves, Corporate 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. Following a consultation with Pension Fund members, The Fund has finalised the 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 the responses received from the member consultation on the draft Responsible Investment Policy listed in section 6.7 and to provide any comments on the draft Responsible Investment Policy (Appendix 1).
- 3.2. Approve the draft Responsible Investment Policy to be made live from April 2026

## **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 the 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. The Policy highlights 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. The policy will ensure 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 adapt its approach as necessary, strengthen collaboration with peers, and ensure that its policy remains both relevant and forward-looking with the go live date of 01 April 2026.

6.6. Following the Pension Committee Board meeting on 22 January 2026, where the draft Responsible Investment Policy was approved for member consultation, the

consultation period closed on 08 March 2026. The Fund received a total of 340 responses.

6.7. Members were consulted through a range of communication methods. For pensioner and deferred members, emails were issued where the Fund held a valid email address, and letters were sent to all remaining individuals. For active members, information was communicated internally via notices on the staff intranet, updates included within management bulletins for wider cascade, and verbal briefings.

6.8. Key findings from the consultation are listed below:

- 87% of respondents felt it was Important or very important that the Haringey Pension Fund considers environmental, social, and governance (ESG) factors when making investment decisions.
- 71% of respondents agreed that the Haringey Pension Fund should seek to influence companies through engagement and stewardship.
- 75% of respondents felt that the Haringey Pension Fund should reduce investment exposure to sectors with significant ESG risks (e.g., fossil fuels, tobacco, controversial weapons).
- The three key areas that members wanted to see a reduction in exposure to were: Armaments/defence, Fossil Fuels and Gambling.
- The majority of respondents wanted the fund to report on its Responsible Investment progress on an annual basis.
- 45% of respondents felt the Responsible Investment policy met their expectations as a pension fund member, with 46% neutral.
- 50% of respondents were satisfied with the direction of the Responsible Investment policy, with 41% neutral.

6.9. The feedback from the consultation is noted and no changes have been made to the draft policy as a result

## **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. Implementation of the Responsible Investment (RI) Policy may influence the pension fund's investment approach by limiting certain investment products in line with its stated principles. All decisions will continue to be taken in accordance with the fund's fiduciary duty, ensuring that any impact on investment performance is kept to a minimum while supporting the achievement of the fund's responsible investment objectives.

Director for Legal and Governance [Jason Ofosu]

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.