



Report of the Section 151 Officer

Local Pension Board – 25 July 2019

Wales Pension Partnership (WPP) Responsible Investment (RI) Policy

Purpose:	To note the Responsible Investment Policy (RI) of the Wales Pension partnership (WPP)
Policy Framework:	Investment Management Regulations
Consultation:	Legal, Finance and Access to Services.
Recommendation:	The WPP RI Policy is approved.
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Finance Officer:	Jeffrey Dong
Legal Officer:	Stephanie Williams
Access to Services Officer:	R Millar
For Information	

1 Background

- 1.1 The Pension Fund Committee has taken a number of steps to understand the impact of ESG issues on the Fund. In November 2017, Hymans Robertson delivered a detailed training session covering responsible investing, ESG and climate change. Hermes Equity Ownership Service also delivered a presentation highlighting examples of the positive change they had delivered through engaging with companies' management and placing shareholder votes on their clients' behalf. The Committee and Board considered their "investment beliefs" in the context of ESG matters and the results have recently been used to develop the ESG policy previously approved at the March 2018 Committee Meeting. It should be noted that Swansea was well ahead of its peers in Wales in adopting an ESG low carbon target approach.

2 Wales Pension Partnership (WPP)

2.1 It is recognised as best practice that WPP (at a Pool level) has a clearly defined RI Policy which can be implemented across its funds. It is noted that each member fund of WPP is at different stages of their consideration of the whole ESG/RI agenda. The WPP Policy id therefore formulated with a view to not tying an individual fund to a restrictive or binding commitment. Attached at Appendix 1 is the RI Policy of The WPP. The Pension Committee approved the WPP Responsible Investment Policy.

3 Legal Implications

3.1 There are no legal implications arising directly from this report

4 Financial Implications

4.1 There are no financial implications arising directly from this report.

5 Equality and engagement Implications

5.1 There are no equality implications arising from this report.

Background papers: None.

Appendices: Appendix 1 - RI Policy of The WPP.