



| REPORT OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES | | |
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| TRAINING - TFCD and the Stewardship Code | Classification PUBLIC | Enclosures One |
| | Ward(s) affected ALL | AGENDA ITEM NO. |
| Pensions Committee 16th March 2021 | | |

1. INTRODUCTION

- 1.1 The purpose of this report is to introduce the training to be provided to the Committee in respect of the the Task Force on Climate Change Disclosures (TFCD) and the UK Stewardship Code, both important aspects of the further development of the Pension Fund's work on responsible investment. The training will be provided by the Fund's Investment advisors from Hymans Robertson.

2. RECOMMENDATIONS

- 2.1 The Pensions Committee is recommended to note the report and the associated training.

3. RELATED DECISIONS

None

4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES

- 4.1 The Pensions Committee acts as Scheme Manager for the London Borough of Hackney Pension Fund and is responsible for ensuring the effective and efficient running of the Pension Fund.
- 4.2 The training session to be provided at this meeting in respect of TFCD and the UK Stewardship Code is being provided as information to members of the Committee in order that they can understand the purpose of the codes and issues that the Fund will need to deal with should the Committee agree that we should apply to become signatories. This decision will represent an important step in the Funds development of its responsible investment policies that are being developed over the coming months.
- 4.3 There are no immediate financial implications arising from this report.

5. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE

- 5.1 The Council's Constitution gives the Pensions Committee responsibility for a wide range of functions relating to management of the Council's Pension fund. In carrying out those functions the Committee must have regard to the various

legislative obligations imposed on the Council as the Fund's Administering Authority, particularly by the Local Government Pension Scheme (LGPS) Regulations 2013.

- 5.2 This training provides the Committee with knowledge and understanding of potential reporting requirements in respect of climate change and other responsible investment issues.

6. BACKGROUND/TEXT OF THE REPORT

- 6.1 The Pensions Committee has been considering various elements of a responsible investment policy over recent meetings, not only in respect of its climate change policy but also other economic, social and governance (ESG) issues.
- 6.2 The training to be provided at this meeting will be based around the presentation at Appendix 1 of this report.
- 6.3 This sets out the main requirements of both TFCF and the Stewardship Code along with an assessment of where the Hackney Fund currently sits alongside the requirements of the Stewardship Code, hence providing some context as to what a decision to apply to become a signatory to the code would actually mean for resources of the Fund.
- 6.4 The training will also set out the requirements of TFCF reporting, which whilst not yet mandatory for LGPS funds, is set to become so following a recent consultation with a likely implementation date of 2022/23.
- 6.4 This training is important in order that members can be fully informed of the requirements of both TFCF and the Stewardship Code, particularly as it works over coming months to develop the Fund's Responsible Investment Policy

Ian Williams

Group Director of Finance & Corporate Resources

Report Originating Officers: Michael Honeysett, Tel: 020 8356 3332

Financial considerations: Jackie Moylan, Tel: 020 8356 3032

Legal comments: Angelie Walker, Tel: 020 8356 6012