

# RESPONSIBLE INVESTMENT PLAN 2024

Financial Quarter	Date (where applicable)	Title	Description/Update as at end of October 2024	
Q4	26 January 2024	RI Plan	Communication and publication of the Fund's 2024 RI Plan + LGPS Central RI Stewardship	✓
	26 January 2024	Strategic Asset Allocation	Consideration of the Fund's Net Zero Climate Strategy within the asset allocation.	✓
		Local Pension Board Report	Update to Local Pension Board on progress against the Fund's net zero targets.	✓
		Website Refresh	Updated pension website on the Fund's RI approach.	✓
	8 March 2024	Manager Presentation	Adams Street - As part of Manager report to Committee overview of approach to Environment, Social and Governance factors (ESG). Information circulated to Committee following meeting expanding on risk factors and engagement approach.  Stewardship presentation from LGPS Central on updated themes and engagement outcomes.	✓
	March 2024	Policy Review	Incorporation of RI matters into relevant policies up for review.	✓
	5 June 2024	LGPS RI Day	Agenda circulated to Committee members.	✓
		Manager RI Snapshot as 31 March	The Fund will request climate and other RI related information from all investment managers to understand how they are monitoring/managing climate risk, and availability of climate data, and approach to stewardship. This will be used to drive discussions on matters related to the NZCS with Investment Managers throughout the year.	✓

<b>Q1</b>	June 2024	Taskforce on Climate-Related Financial Disclosures (TCFD) Report	Public report of the Fund's approach to climate risk, set out in alignment with the recommendations of the TCFD, NZCS, Climate Risk Management Report and stewardship reporting.	✓
	June 2024	Manager Presentation	LGPS Central Infrastructure. As part of Manager report to Committee overview of approach to ESG.	✓
<b>Q2</b>	September 2024	Manager Presentation	Quinbrook: As part of Manager report to Committee overview of approach to ESG. Circulation of grid reform briefing.	✓
		Training	LGPS Central to provide training session on responsible investment/climate matters and engagement in advance of November Climate Risk Report.	✓
<b>Q3</b>	29 November	Climate Risk Report	The Fund will engage with LGPS Central and partner funds on future reporting and increase monitoring to sovereign bonds taking into account guidance from the Assessing Sovereign Climate-Related Opportunities and Risks initiative. The Fund will ensure it is reviewed in light of reporting on NZCS and seek to expand data coverage, and the possibility of expanding targets to corporate bonds and other available asset classes.	✓
	29 November	Manager Presentation.	Manager TBC. As part of Manager report to Committee overview of approach to ESG.	Deferred.
	4/5/6 <sup>th</sup> December	LAPFF Conference	Deferred given size of agenda. Link to <a href="#">2024 Annual Report</a> .	No online option.
		Strategic Asset Allocation Review	To take into account Climate risk as per NZCS and Climate Risk Management Report.	✓
	TBC	Pension Fund AGM	Presentation as part of Pension Fund Annual General Meeting progress on NZCS and RI matters.	✓
<b>Q4</b>	January 2025	Strategic Asset Allocation Committee	Consider recommendations from Climate Risk Report and Net Zero Climate Strategy	✓
		RI Plan	2025 Plan.	

**Ongoing Activities throughout the year**

Date (where applicable)	Title	Commentary as at end of November 2024
5 June ✓	<ul style="list-style-type: none"> <li>• LGPS Central will be hosting their Annual RI Day with topics of interest to members, this date will be circulated to Committee once confirmed.</li> </ul>	<p><a href="#">LGPS Central Press Release</a>. Members can contact officers for more detail if they were unable to attend.</p>
✓	<ul style="list-style-type: none"> <li>• Quarterly reports to the Local Pension Committee on voting, engagement, and stewardship activities of LGPS Central, LGIM and the Local Authority Pension Fund Forum, and developments on responsible investment matters with themes of interest to the Committee.</li> </ul>	<p>Updates provided to Members on queries/concerns raised during meetings. Including exposure to Aerospace and Defence, ASP ESG risks, figures on GDP at risk, and comparative climate performance.</p>
May & July ISC, SAA ✓	<ul style="list-style-type: none"> <li>• Implementation and further inclusion of actions positively correlated with broader Net Zero Climate Strategy through LGPS Central and other external managers to ensure the climate transition and physical risks are identified and managed through stewardship and/or asset allocation activities.</li> </ul>	<p>Discussion as part of scoping of ISC Investment decisions reporting on infrastructure (July ISC), protection assets (May ISC), and early triennial valuation discussions (March 2025).</p> <p>Following January Committee, some Committee Members have fed back or met with officers on the current Climate Risk Management Report and what would be beneficial in future reporting for November reporting. Officers are happy to continue this process throughout the year.</p>
November LPC ✓	<ul style="list-style-type: none"> <li>• Work with appointed managers to understand how they are assessing, monitoring, and mitigating key transition and physical risks within material sectors. With a focus on high impact sector and previous disclosures.</li> </ul>	<p>All managers have reported on their strategy, targets and climate metrics relevant to the Fund where available. As well as engagement examples and further detail on how they manage risks across high impact sectors, for example. This will be reported in November alongside the Climate Risk Management Report.</p>

**Quarterly**



- RI Working Group with LGPS Central and Partner Funds. Including Working with LGPS Central to continue to develop climate reporting more broadly, and look at improvements to fixed income.

Meetings are held quarterly (January, April and July so far), meetings have also been set up to discuss the Climate Risk Management Report.

**Triennial Valuation (2025/26)**

- Explore use of climate scenario analysis with a look to integrate funding and investment analysis in line with Climate Risk Management recommendation.

Early discussions held exploring the different approaches in recognition of limitations of approaches available for the Fund with consideration of recent reporting on climate scenario analysis. To be considered for 2025 Triennial Valuation and what role LGPS Central can contribute.



- Continue to engage companies highlighted in Climate Stewardship Report via our engagement partners including LGPS Central on companies and engagements selected. Look to encourage escalation where needed.
- Following expected review of the Stewardship Code 2020, review whether the Fund should apply, subject to value being evidenced.
- Continue review of best practice with regards to the Fund's asset classes and climate reporting, and international industry standards.

Voting alerts circulated to relevant investment managers. Further detail set out in September RI paper.

Participation in a Stewardship Code reporting working group. Work progressing on any potential gaps for the Fund in recognition of best practice even if Stewardship Code reporting not deemed necessary. The progress of the review was published in July 2024.

Consideration of other LGPS funds best practice, reporting and progress. View of The Pensions Regulator TCFD guidance. Consideration of IIGCC revising their NZIF Framework. Initial benchmarking of the Fund across the LGPS presented in June cover paper.