Responsible Investment (RI) – September 2026 Update

Responsible Investment Survey 2025: What happened next?

The survey found that pension fund members were worried that some companies the Fund invests in may have slavery or child labour in their supply chains.

The Fund has, therefore, made this issue an RI priority in 2026 (along with climate change).

The Fund has told all its investment managers about this new priority and asked them to provide examples of how they have raised this issue with companies in which the Fund invests.

The Fund has endorsed the **PRI ADVANCE initiative**, by signing a statement to say that 'We recognise the role that we as investors can play in advancing human rights globally.

We endorse this initiative whose objective is to advance human rights and positive outcomes for people through investor stewardship'.

Signing this statement shows that this issue is a priority for the Fund. It also helps the Fund to work with investment managers with the hope of bringing about change where it can most make a difference.

Local Authority Pension Fund Forum

The survey showed that most pension fund members agreed that it's important for the Fund to invest responsibly.

After the survey closed, the Hampshire Pension Fund joined the Local Authority Pension Fund Forum (LAPFF). This is a group of local authorities that work to protect the long-term investment value of local authority pension funds by promoting the highest standards of corporate governance.

Since joining, the Fund has been able to use LAPFF's research to monitor its investments, including companies that are most at risk of having modern slavery in their supply chains.

Hampshire Pension Fund's Engagement Questions

Since its last update, the Fund has continued to question its investment managers about responsible investment, (including human rights and climate change). Here are four examples of recent conversations:

Private Company Investments: Patria

Officers asked Patria if investing responsibly had changed the value of financial returns. Patria said: *We have seen examples where financial returns have been higher than expected, due to the focus on responsible investment (RI), especially in industrial companies.*

According to Patria, there have been examples where companies that are leading in RI have been sold at higher valuations than their non RI focused peers.

Infrastructure Investments: GCM

Officers asked GCM about how environmental and social risks were being managed in a data centre investment. GCM said:

The company continues to source 100% renewable electricity. It has adopted efficient cooling technologies to manage rising computing intensity. It also holds constructive engagement with the local community and undertakes local initiatives, including rooftop beehives, supporting urban biodiversity and knowledge-sharing sessions with local educational institutions.

LGPS Central

In the next update, we're aiming to share changes that have been made following our transfer to a new pooling partner – LGPS Central. Their values closely match those of the Fund, and with a larger team, we are hope to be able to make positive changes.

Public Company Equity Investments: Robeco

Robeco engaged with a company after major suppliers were accused of illegally employing children.

Robeco said that after engaging on this subject, the company:

- expanded its human rights due diligence processes, which led to policy revisions to strengthen labour conditions (including provisions on minimum employment age)
- it screened 79 sites, to identify areas most at risk from slavery and child labour
- it introduced action plans for 19 high-risk suppliers, and conducted on-site audits and worker interviews at 11 of them, and
- it established board-level ESG oversight for issues such as child labour risk, through a specialised ESG Sustainability Committee.

Fixed Income Investments: Fidelity

Officers asked whether Fidelity had engaged with UK water companies about water quality, (including sewage, pollution and forever chemicals). They referred to specific pollution incidents and asked Fidelity to confirm whether or not the water companies had effective action plans to make the necessary improvements.

Fidelity said their biggest engagement to date has been with the water sector. This has helped Fidelity to identify best practice and to focus on those companies who have the worst track records on water quality

They discuss pollution incidents with the companies to make sure management are taking effective action and have appropriate investment plans. However they said it will take time to deliver improvements, given the scale of the issue