

**MEETING****PENSION FUND COMMITTEE****DATE AND TIME****TUESDAY 21ST JULY, 2015****AT 7.00 PM****VENUE****HENDON TOWN HALL, THE BURROUGHS, LONDON NW4 4AX**

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting.

Item No	Title of Report	Pages
5.	PUBLIC QUESTION AND COMMENTS (IF ANY)	1 - 2

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Question	Item No	Raised By	Question Raised	Answer
1.	Item 11. Review of the investment strategy and work Plan	Andrew Newby	What steps is the committee taking to review the fund's £30 million holding in fossil fuel stocks in the light of the sector's increased risk profile following the halving of global oil prices and the growth of the campaign to keep the majority of fossil fuel deposits in the ground to prevent a 2 degrees increase in worldwide temperatures?	There are no restrictions on investments in fossil fuel stocks. Pension Fund Committee will consider the Environmental, Social and Ethical factors (ESG) within the review of the Statement of Investment Principles which will form part of the review of the investment strategy
2.	Item 11. Review of the investment strategy and work Plan	Andrew Newby	What steps is the committee taking to review the fund's £14 million holding in tobacco stocks in the light of increased anti-tobacco measures in Britain (e.g. plain packaging) and elsewhere because of the damage to health caused by tobacco products and the consequent high costs to the NHS and other health services?	<p>No action has been taken to date on restrictions on investments in tobacco stocks. Investments are in pooled funds and are under the direction of the fund managers.</p> <p>The concerns being raised are factors that the fund managers may take into account and review on an on-going basis as part of the overall investment decision to initially purchase, continue to retain or to sell a holding, with the overall aim being to generate a good return for the fund. As such, ESG factors form a central part of investment research and are taken into account as part of the overall valuation</p>

3.	Item 11. Review of the investment strategy and work Plan	Andrew Newby	<p>What steps is the committee taking to review the fund's £2.5 million holding in weapons exporter BAE Systems given the increased likelihood of BAE products being used against British citizens in growing conflicts in the Middle East and elsewhere and BAE's own poor corporate governance record, e.g. the \$400 million fine in 2010 for its behaviour in relation to the sale of fighter planes to Saudi Arabia.</p>	<p>case. However, they would be one, albeit important, factor behind the decision to avoid, buy, hold or sell an investment rather than being the only factor</p>
4.	Item 11. Review of the investment strategy and work Plan	Andrew Newby	<p>Will the committee chairman and the committee's independent adviser meet representatives of Barnet Green Party to discuss suitable potential alternative investments for the fund's current near £50 million holdings in unethical stocks?</p>	<p>No action has been taken to date to restrict funds holding in BAE.</p> <p>This it is a discussion for elected members and depending on the view of the committee, we will consult with our investment advisors</p>