



London Borough of Hillingdon Pension Fund

Stewardship Code

Principle	Response
Principle 1 – Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.	<p>The London Borough of Hillingdon Pension Fund takes its responsibilities as a shareholder seriously. It seeks to adhere to the Stewardship Code, and encourages its appointed asset managers to do so too. Stewardship is seen as part of the responsibilities of share ownership, and therefore an integral part of the investment strategy.</p> <p>In practice the fund's policy is to apply the Code both through its arrangements with its asset managers and through membership of the LAPFF and NAPF.</p>
Principle 2 - Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed.	<p>The fund encourages the asset managers it employs to have effective policies addressing potential conflicts of interest.</p> <p>In respect of conflicts of interest within the fund, pension committee members are required to make declarations of interest prior to committee meetings.</p>
Principle 3 - Institutional investors should monitor their investee companies	<p>Day-to-day responsibility for managing our investments is delegated to our appointed asset managers, and the fund expects them to monitor companies, intervene where necessary, and report back regularly on activity undertaken. Reports from our fund managers on voting are received and engagement activity is reported to committee quarterly.</p> <p>In addition the fund receives 'alerts' from Local Authority Pension Fund Forum. These highlight corporate governance issues of concern and are considered accordingly.</p>
Principle 4 - Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value.	<p>As highlighted above, responsibility for day-to-day interaction with companies is delegated to the fund's asset managers, including the escalation of engagement when necessary. Their guidelines for such activities are expected to be disclosed in their own statement of adherence to the Stewardship Code.</p> <p>On occasions, the fund may participate in escalation of poignant issues, principally through engagement activity through the Local Authority Pension Fund Forum.</p>

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Principle 5 - Institutional investors should be willing to act collectively with other investors where appropriate.	The fund seeks to work collaboratively with other institutional shareholders in order to maximise the influence that it can have on individual companies. The fund seeks to achieve this through membership of the Local Authority Pension Fund Forum, which engages with companies over environmental, social and governance issues on behalf of its members.
Principle 6 - Institutional investors should have a clear policy on voting and disclosure of voting activity.	<p>In respect of shareholder voting, the fund seeks to exercise votes attached to its UK equity holdings, and to vote where practical in overseas markets.</p> <p>Responsibility for the exercise of voting rights has been delegated to the fund's appointed asset managers and this includes consideration of company explanations of compliance with the Corporate Governance Code.</p> <p>Regular reports are received from the asset managers on how votes have been cast, and controversial issues can be discussed at panel meetings.</p> <p>The fund does not currently disclose any voting data.</p>
Principle 7 - Institutional investors should report periodically on their stewardship and voting activities	The fund reports annually on stewardship activity through a specific section on "Responsible Investing" in its annual report.