Shropshire County Pension Fund

Administered by Shropshire Council

Dear Sir or Madam,

Thank you for your letter dated 3 August 2026 and the accompanying Position Paper. We appreciate the care with which you have set out your concerns.

We recognise the seriousness and complexity of the matters you raise, as well as the significant public interest in them. The fund considers these matters carefully through its established governance arrangements and in accordance with its statutory and fiduciary responsibilities.

As part of its responsible investment approach, the Fund requires its investment managers to integrate financially material environmental, social and governance (ESG) considerations into their investment processes. It also expects managers to actively engage with investee companies on the management and mitigation of risks pertaining to these considerations. This includes risks relating to human rights.

The Fund supports the principle that companies operating across all sectors and jurisdictions, should embed the UN Guiding Principles on Business and Human Rights within their policies, procedures, and governance structures. Companies whose operations or supply chains extend across multiple regions may be exposed to conflict-affected areas where human rights risks are heightened. In such circumstances, the Fund expects companies to have appropriately robust arrangements in place to identify, assess, manage and mitigate those risks.

LGPS Central Limited implements the Fund's investment strategy and monitors portfolios to identify material ESG risk exposures. This monitoring informs its stewardship priorities and activities. Through its stewardship approach, LGPS Central Limited seeks assurance that investee companies implement effective human rights management policies wherever their operations or value chains may give rise to potential impacts.

This approach is applied across sectors and geographies and is based on international norms on human rights. It considers salient human rights risks across portfolios, rather than focusing on a single jurisdiction or conflict.

LGPS Central through the Scheme Advisory Board continue to seek further clarity on the legal arguments contained in your letter, to act in the best interests of members.

Yours faithfully

Gary Groves
Shropshire County Pension Fund Pensions Committee Chair