

CCR Responsible Investing Policy

The Cardiff Capital Region (CCR) is committed to ensuring that it makes investment decisions responsibly and with integrity.

The CCR Responsible Investing Policy sets out to determine if a project, business or industry should be considered for investment from the CCR, or its subsidiary funds, based upon a set of benchmark criteria. The policy is based on 'negative screening' and is used to protect the CCR reputation, avoid conflict with our core objectives or contradictions with the work of CCR. It sets out a policy position to avoid investing in projects or businesses that do not meet our social, environmental or ethical criteria.

The policy has been developed to allow the CCR to pursue a responsible investment approach, and in line with its strategy of enhancing economic wellbeing while minimising any negative effect on its investment returns – both financial and wider economic outcomes.

The CCR responsible investment policy prohibits the direct investment in projects or businesses based upon seven parameters:

- **Human Rights:** Human rights are the basic rights and freedoms that belong to every person in the world, from birth until death. These rights apply regardless of origin, belief or life choices. Human rights cannot be taken away, but they can be restricted. These basic rights are based on shared values like dignity, fairness, equality, respect and independence, and they are protected by law. Companies and organisations have a responsibility to all their stakeholders, irrespective of geographical location or poor management
 - Exclude companies who do not meet UK/EU human right laws
 - Ensure any company with international operations must meet international human rights laws and standards
- **Animal Welfare:** Animal experiments is objectionable. However, it is needed (and required by law) for medical research and development, and mandated under EU Directive for chemicals and their safe use (REACH)
 - Exclude any company that employs animal research but does not adhere to the 3R's: Replacement, Reduction and Refinement. All research must be governed by Animals (Scientific Procedures) Act 1986 Amended Regulations 2012 (A(SP)A)
 - Exclude companies who do not have an Animals n Research Policy
- **Tobacco:** it is considered that tobacco based substances are fundamentally in conflict with the objectives set in the 'Wellbeing of Future Generations' not only for active smokers but passive smoking also
 - Exclude companies who produce tobacco
- **Gambling:** Gambling addiction is a negative impact on wellbeing, not just in monetary terms but can compromise employment, quality of life, relationships and mental and physical health, and thus increasing demands on local services such as law enforcement, health services etc.
 - Exclude companies that derive >10% revenue from the management or ownership of gambling facilities
- **Deforestation:** Deforestation and poor forestry management has significant impacts on the environment and biodiversity, and must be managed effectively by companies

- Exclude companies that do not have sustainable management policies and procedures for their forests
- **Pornography:** Pornography is the portrayal of individuals in an abusive and degrading manner that contributes to sexual discrimination and exploitation of the vulnerable, and can be a contributor to violence
 - Exclude companies that are in the pornography industry; production, distribution of material or owning or operating adult establishments
- **Excluded Companies:** working with companies that reflect our values and priorities. Companies who are involved in environmental degradation, human right abuses, child labour, forced labour, fraud, and corruption will be excluded
 - Exclude companies listed in RepRisk : Most Controversial Companies report (<https://www.reprisk.com>)
 - Exclude companies delisted in accordance with the Communication on Progress Policy to the UN Global Compact (<https://www.unglobalcompact.org/participation/report/cop/create-and-submit/expelled>)

Whilst operating within these parameters the CCR, and its appointed Fund Managers for subsidiary funds, will be accountable to the Regional Cabinet in terms of performance and adherence to the parameters set out above.

The Responsible Investing Policy is subject to regular review by Regional Cabinet through the Investment Panel. The policy supports the CCR's aspiration for the region to set a route to economic self-reliance as set out in the CCR Economic and Industrial Plan.

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Setting out the recommendations of the Investment Panel in respect of potential projects in the IIF</p>
<p>Proposal: Investment and Intervention Framework Report</p>	<p>Date Future Generations Evaluation form completed: 15 March 2021</p>

1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The IIF sets out the framework for testing, assessing and appraising proposals in an independent, fair and balanced way, in order to ensure the proposals that develop are those that best contribute to wealth creation and prosperity. The projects in the pipeline now seek to make a major contribution to this.</p>	<p>Maximising potential for added value and meeting City Deal targets is enshrined within the assessment process.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>The IIF is underpinned by the four Industrial Strategy Grand Challenges, included in which is clean growth.</p>	<p>This will be pertinent on a business case by business case basis.</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Developing the conditions, through new links and networks – and opportunities for future engagement – will make a contribution to prosperity, which in turn will support wellness and wellbeing.</p>	<p>Inclusive growth and sharing prosperity are key principles and some of the conditions proposed to be set by Panel.</p>
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>The IIF seeks to position our region and its competitive strengths – economic and wider and will seek to yield demonstrative legacy benefit for the country as a whole.</p>	<p>ROI assessments and expert advice on how to leverage opportunities and build on local social capital whilst at the same time, scanning the world for experts who can help grow high potential ideas</p>
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>The IIF has regard to the wider factors required to support a vibrant and responsible economy</p>	
<p>A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.</p>	
<p>A more equal Wales People can fulfil their potential no matter what their background or circumstances</p>	<p>City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people's lives.</p>	<p>The 'spread' and targeting of City Deal benefits in a place-based and place-led way – as reflected by the proposals.</p>

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The IIF is relevant to today, but focused on foresight and what comes, tomorrow.</p>	<p>Continued work on data/ evidence and generating in equal measure, insight and foresight.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	<p>City Deal will be delivered by a multiplicity of diverse partners.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The framework operationalizes the process for stimulating economic activity in the region creating opportunities to engage people in work and develop the prosperity needed to ensure people are more economically self-reliant and self-sufficient.</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>This will be undertaken on a case-by-case basis through the new assessment process.</p>	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	As with all those categories below – the impacts will relate to specific delivery that underpins the execution and operation of this Plan	None arising at this time.	
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex	As above		
Sexual Orientation	As above		
Welsh Language	As above		

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		

Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care		
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5. What evidence and data has informed the development of your proposal?

- Individual SIFTs and accompanying documents.
- CCR Priority Sectors analysis 2019

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

As above, the main implications will be in the delivery of this work.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:

Quarterly via the IIF reports to Cabinet and via emergence of individual business case developments