WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY H.L. JEUNE OF ST. JOHN, ST. LAWRENCE AND TRINITY
QUESTION SUBMITTED ON MONDAY 26th OCTOBER 2026
ANSWER TO BE TABLED ON MONDAY 2nd NOVEMBER 2026

Question

"Further to the Minister's response to Written Question 210/2025, in which the Minister stated that the Treasury Advisory Panel's work on aligning the Common Investment Fund with the United Nations Sustainable Development Goals was "ongoing throughout 2025," will the Minister advise –

(a) whether that work has been completed and, if so, will he state –
  (i) on what date it was completed;
  (ii) what its findings were;
  (iii) whether a report on it will be published, and on what date; and if it will not be published, why not;
(b) if the work is not complete, why this is the case, and when it will be completed;
(c) what the carbon emissions of the Common Investment Fund's portfolio have been for each year since 2023, and whether the Minister will publish this data annually;
(d) on how many occasions since 2023, has the Treasury Advisory Panel escalated concerns with an investment manager over environmental, social or governance (ESG) risks, and whether any mandate has been ended or changed as a result; and
(e) when an updated States Investment Strategies report will be presented to the Assembly to replace Report 184/2024, and whether it will include measurable targets for responsible investment?"

Answer

(a) whether that work has been completed and, if so, will he state –
  (i) on what date it was completed;
  (ii) what its findings were;

The work referred to in Written Question 210/2025 was concluded in October 2025. The exercise sought to understand the extent to which our range of investment managers' investment approaches could be mapped to the United Nations Sustainable Development Goals (SDGs) and formed part of the Treasury Advisory Panel's (TAP) broader responsible investment programme.

While this workstream has concluded, responsible investment reporting and SDG assessment methodologies continue to evolve, alongside improvements in underlying data availability and reporting standards. TAP therefore regards this as part of an iterative programme of continuous improvement and expects to revisit these issues periodically as industry practice develops and more robust and comparable data becomes available. This is particularly relevant in relation to SDG measurement, where methodologies and disclosure practices are still developing and there is not yet a universally adopted approach to portfolio-level reporting.

(iii) whether a report on it will be published, and on what date; and if it will not be published, why not;

The work did not comprise a single report, rather, it formed part of a broader programme of responsible investment work undertaken by TAP. This included dedicated papers on the SDGs, carbon statistic capture analysis and climate scenario analysis commissioned and reviewed at successive Responsible Investment days held by TAP.

The SDG workstream identified a number of SDGs that were considered particularly relevant to our investment portfolios and explored the feasibility of assessing and reporting portfolio alignment. The work however identified a number of challenges, highlighting that SDG assessment remains an evolving area. Approaches and data availability vary between managers and asset classes, and there is not yet a universally adopted methodology for measuring portfolio-level SDG alignment.

As a result, whilst the SDGs have been used as a reference framework in manager assessments and responsible investment discussions, the work did not result in the adoption of a formal SDG-alignment framework or portfolio-level SDG reporting methodology for the Common Investment Fund (CIF).

The findings have instead informed the TAP's wider responsible investment approach, including its focus on ESG integration, stewardship, manager engagement, climate-related analysis and ongoing monitoring of responsible investment practices. This forms part of an annual responsible investment dashboard which continues to evolve and shape TAP's efforts to develop a consistent benchmarking tool in this area.

(b) if the work is not complete, why this is the case, and when it will be completed;

This particular workstream was concluded, though will likely be revisited as part of TAP's regular assessment process.

(c) what the carbon emissions of the Common Investment Fund's portfolio have been for each year since 2023, and whether the Minister will publish this data annually;

A full carbon emissions analysis was conducted as at 31 December 2023 to establish a baseline and was repeated by TAP as at 31 December 2025 to assess progress over a meaningful period. No equivalent exercise was undertaken at 31 December 2024.

Collecting, validating and aggregating emissions data across multiple investment managers and asset classes is a considerable undertaking, further complicated by changes in data coverage, estimation techniques and reporting methodologies, which can significantly influence reported emissions. Accordingly, longer-term comparisons were considered to provide a more meaningful indication of trends in the portfolio's carbon footprint.

The reported Scope 1 and Scope 2 greenhouse gas emissions for the CIF's non-sovereign portfolio were:

- 31 December 2023: **280,815 tCO_2e**
- 31 December 2025: **251,117 tCO_2e**

Sovereign bond holdings* are reported separately because they are calculated using a different methodology. Reported sovereign bond emissions were:

- 31 December 2023: **59,771 tCO_2e**
- 31 December 2025: **57,374 tCO_2e**

* Sovereign bonds are reported separately because they use a different and less standardised methodology to allocate a country's emissions to holders of its debt, making them difficult to directly compare with corporate emissions.

Currently the majority of the Fund's reported carbon footprint arises from the listed equity portfolio. This reflects both the nature of equity ownership and the fact that emissions data for listed companies is generally more readily available and robust than for other asset classes. Data coverage is not uniform across the portfolio. Coverage is high for listed equities and corporate bonds where underlying companies

regularly report emissions data, and lower for certain alternative asset classes such as private market and hedge funds.

Although the direction of travel has been positive, TAP caution that carbon reporting methodologies continue to evolve. Improvements in data quality, estimation techniques and manager reporting can result in changes to reported emissions even where the underlying investments have not materially changed.

Accordingly headline carbon figures can be misleading, for example, a material proportion of emissions stem from investments held in steel producers where operations are inherently carbon intensive. The managers holding these investments have been challenged on these positions but regard the selected exposures as industry leaders on decarbonisation and have demonstrated to TAP clear evidence of engagement with the company on its decarbonisation plans. Divestment of the position might reduce the portfolios carbon footprint but not necessarily deliver better progress towards reducing carbon as holdings would be sold to shareholders less willing to advocate investment required to deliver a better environmental outcome.

TAP would caution that publishing a single carbon emissions figure in isolation could be misleading. Current emissions data coverage across the portfolio is approximately 71%, with strong coverage in listed equities but lower coverage in asset classes such as private credit and hedge funds. As a result, changes in reported emissions may reflect changes in asset allocation, data coverage and reporting methodologies, rather than underlying emissions.

While data quality and disclosure standards continue to improve, TAP remains cautious that publishing headline emissions figures alone may not provide a meaningful assessment of portfolio sustainability outcomes or the effectiveness of the Common Investment Fund's responsible investment and stewardship activities. The disclosure of emissions data, alongside commentary on wider portfolio activity and stewardship actions, will be considered as part of the annual accounts process, and TAP will continue to monitor developments in reporting standards and market practice.

(d) On how many occasions since 2023, has the Treasury Advisory Panel escalated concerns with an investment manager over environmental, social or governance (ESG) risks, and whether any mandate has been ended or changed as a result; and

TAP has embedded responsible investment considerations within its ongoing manager oversight programme. As a result, managers are routinely challenged on investment performance, stewardship activities and the implementation of responsible investment policies as part of the normal oversight process. This includes dedicated asset-class review days, conducted annually, at which managers are required to present and support their approach to investment management, stewardship and responsible investment.

Earlier this year, as part of its oversight programme, TAP identified a number of managers with holdings in companies that external ESG data providers had categorised as ESG "laggards". TAP undertook a targeted engagement exercise with those managers to better understand the rationale for holding these positions, the ESG risks involved, and the stewardship activities being undertaken to address those risks. Five equity managers were included in the review.

Managers were required to explain whether the holdings remained in the portfolio, the investment rationale for holding companies with lower ESG ratings, the ESG risks associated with those holdings, and the engagement and stewardship activities being undertaken.

The review concluded that managers generally provided robust and well-supported explanations for their holdings and were able to demonstrate active stewardship and engagement with the companies concerned to TAP's satisfaction. TAP identified a small number of areas where further engagement based on the explanations received would be beneficial, and these will be followed up at the next asset specific review day.

TAP considers this targeted engagement programme to be an example of active oversight of ESG risks within the portfolio. However, no investment mandate has been terminated or materially amended solely as a result of ESG concerns since 2023, though mandates have been terminated where the overall investment approach, in which the responsible investment approach is embedded, fell behind peers.

(e) when an updated States Investment Strategies report will be presented to the Assembly to replace Report 184/2024, and whether it will include measurable targets for responsible investment?

The States Investment Strategies report is kept under regular review, and an update is expected in Q4 2026/Q1 2027. Any future revision will consider developments in responsible investment and the implementation of the CIF's Responsible Investment Policy.

The Panel continues to review evolving industry standards and best practice, including the availability of consistent and comparable data, when considering whether quantitative responsible investment targets would be appropriate in future.

However, at this time, no decision has been taken to introduce specific measurable responsible investment targets.