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London & Colonial has teamed up with TAM Asset Management to provide investors with a socially responsible pension strategy and charitable donation scheme.

The investments, made available through TAM Asset Management's risk-rated socially responsible portfolios, can be accessed through London & Colonial's SIPP, QROPs and QNUPs. The investments are screened for their environmental impact, commitment to social responsibility and consideration for animal welfare.

London & Colonial head of product and business development Adam Wrench (*pictured*) said: "A more socially responsible approach to investing is becoming ever more popular as an increasing number of clients wake up to the realisation that effective long-term, sustainable investments have the potential to be just as profitable as the more traditional types." Clients who invest via London & Colonial's Multi-Platform SIPP will automatically be able to participate in TAM Asset Management's "You Give- We Give" charitable donation scheme.

The scheme allows clients to donate part of their annual pension income to a pre-determined charity of their choice. TAM Asset Management match clients' donations with the same percentage from its asset management fees.

Investors will also be given the option to leave either part, or all, of any fund value remaining on their death to charities of their choice. Any crystallised death benefit lump sum would normally be subject to a 55% tax charge, however where this payment is made to a charity it will be tax exempt.

TAM Asset Management chief executive Lester Petch said it was important to "dispel some of the myths" around such investments.

He said: "I keep using the term socially responsible as I think ethical has a wind-farm, tree-hugging, we want to be 'ultra-green' connotation. In a way that scares people off. People who perhaps aren't ethical in the 'ultra-green' sense, still want to be socially responsible, they still want to do something for charity. I think the term ethical is quite misleading."

He continued: "I'm not talking about investing in wind-farms, which is all very credible. I'm talking about this great movement in pension investment, which is moving slowly for now. If you look at the UK pension market 1.2 % the money goes into socially responsible funds according to a Moneyfacts survey. There is a £75bn opportunity now. What they found was despite so few people [surveyed] describing themselves as ethical investors, they are concerned where their money goes and they feel responsible."

By Fiona Murphy

Link to original article:

<http://www.ifaonline.co.uk/retirement-planner/news/2323132/london-colonial-launches-socially-responsible-pension-fund>