

Minutes of the Pensions Panel Meeting held on 5 September 2023

Present:

| Attendance | |
|-----------------------------------|------------------------------------|
| Philip Atkins, OBE Mike Davies | Colin Greatorex Stephen Sweeney |

Also in attendance: Carolan Dobson, Simon Humble and Philip Pearson (Hymans Robertson)

Apologies: Iain Campbell (Hymans Robertson) and Mike Sutherland

Part One

110. Declarations of Interest

There were no declarations of interest made on this occasion.

111. Minutes of meeting held on 06 June 2023

In reference to Minute 101: The Panel was informed that a response had been provided by LGIM explaining the high proportion of votes against management. It was agreed that this would be shared electronically with the Panel members following the meeting.

Resolved: a. That the minutes of the Meeting of the Pensions Panel held on 6 June 2023 be confirmed and signed by the Chair.

b. That the response by LGIM relating to their stance on management voting decisions, be shared electronically with the Panel members following the meeting.

112. Dates of Future Meetings

- 5 December 2023, 9:30am – Oak Room, County Buildings
- 5 March 2024, 9:30am – Oak Room, County Buildings
- In person training 10 November 2023 – 10:00am – White Room, County Buildings

Resolved: That the dates of the future Pensions Panel meetings and training session be noted.

113. Pension Fund Performance and Portfolio of Investments as at 30 June 2023

The Director of Finance submitted a summary of the performance of the Staffordshire Pension Fund (the Fund), together with a portfolio of the Fund's investments, as at 30 June 2023.

The Panel heard that over the quarter the Fund had underperformed its Strategic Asset Allocation benchmark return by 0.3%. The best performing asset class relative to benchmark was listed equities, in particular global sustainable equities. Private Equity was the largest detractor to Fund performance over the quarter. The Fund had a market value of £6.746 billion as of 30 June 2023, an increase of £0.111 billion since 30 March 2023.

A copy of the Staffordshire Pension Fund's portfolio of investments at 30 June 2023 was attached at Appendix 1 to the report.

Resolved: That the Pension Fund Investment performance and the portfolio of investments for the quarter ended 30 June 2023 be noted.

114. Responsible Investment and Engagement (RI&E) Report Quarter 1 2023/24

The Director of Finance submitted the Responsible Investment and Engagement Report to the Panel, which included the Climate Stewardship Plan for 2022/23 and the Local Authority Pension Fund Forum (LAPFF) Quarterly Engagement Report. It was highlighted that the Local Government Pension Scheme Central (LGPS Central) Quarterly Stewardship Report Q1 2023/24 had not been available when the meeting papers had been circulated, but this had been received and had been made available on the LGPS Central website.

The Panel was informed that the Staffordshire Pension Fund (the Fund) had been accepted as a signatory to the UK Stewardship Code. Officers and Advisors had undertaken a large volume of work to ensure the Fund was accepted as signatories of the new Stewardship Code, this involved providing evidence that showed how the Fund complied and aligned with 12 specific principles. The Panel also heard that five of the eight LGPS Central Partner Funds, as well as LGPS Central themselves, were now signatories of the UK Stewardship code.

In response to a question from Councillor Greatorex regarding the implementation of the Transition Pathway Initiative (TPI) framework, what the scores represented and how they were assigned, it was explained that these questions would be raised with LGPS Central directly and brought back to a future Panel meeting.

Resolved: That the content of the Responsible Investment and Engagement (RI&E) report, including the Climate Stewardship Plan (Appendix 1), and the Local Authority Pension Fund Forum (LAPFF) Quarterly Engagement Report (Appendix 2), be noted.

115. Exclusion of the Public

Resolved: That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraph of Part One of Schedule 12A of the Local Government Act 1972 (as amended) indicated below.

116. Exempt Minutes of the Meeting held on 06 June 2023 (exemption paragraph 3)

117. Pension Fund Performance and Manager Monitoring for the quarter ended 30 June 2023 (Exemption Paragraph 3)

118. Economic and Market update (Exemption paragraph 3)

119. Infrastructure (Exemption paragraph 3)

120. Strategic Asset Allocation - Quarterly update (Exemption paragraph 3)

121. Property Approvals (Exemption paragraph 3)

122. Infrastructure (Exemption paragraph 3)

Chair

