

RIWP 15th May 2024

Name	Initials	Organisation
Councillor Julie McManus (Chair)	JM	WBC
Councillor Ann Ainsworth	AA	WBC
Councillor Jayne Aston	JA	Knowsley
Councillor Chris Carubia	CC	WBC
Councillor Pat Cleary	PC	WBC
Councillor George Davies	GD	WBC
Councillor Brenda Hall	BH	WBC
Councillor Brian Kenny	BK	WBC
Councillor Ruth Molyneux	RM	WBC
Paul Lee	PL	Redington
Jill Davys	JD	Redington
Ellen Welford	EW	Redington
Paul Watson	PWt	Independent Advisor
Rohan Worrall	RW	Independent Advisor
Peter Wallach	PWI	MPF
Adil Manzoor	AM	MPF
Allister Goulding	AG	MPF
Owen Thorne	OT	MPF
Alex Abela-Stevenson	AAS	MPF
Roksana Klapkowska	RK	MPF
Emma Littler	EL	MPF
Ciaran Sharp	CS	MPF
Dragos Serbanica	DS	MPF
Dan Proudfoot	DP	MPF
Peter Jewell	PJ	WBC
Colin Hughes	CH	WBC
Felix Weston	FW	SPB
Chris Harper	CH	SPB

1. Apologies

Name	Initials	Organisation
Councillor Tony Cox	TC	WBC
Councillor Christine Howard	CH	Sefton

2. The Economic Activity of Public Bodies (Overseas Matters) Bill: Squire Patton Bogs

Felix Weston and Chris Harper from Squire Patton Bogs presented to RIWP members The Economic Activity of Public Bodies (Overseas Matters) Bill. The presentation included.

- Background to the bill (legal duties and recent developments)
- New prohibitions
- Application to LGPS
- Interaction with other considerations
- Penalties and enforcement
- Next steps

The Committee asked if SPB had any thoughts around the Bill's overall lack of specific detail which could ultimately lead to further legal challenges. SPB acknowledged that the wording within the Bill is fairly generalised and that this has been a matter of debate within decision making bodies.

The Committee further asked if there is anything of relevance in the legislation on reputational risk. SPB highlighted the Bill's wording on financial and practical matters but stated that no specific mention is given to potential pension fund reputational risk.

SPB and the Committee further discussed the scope for challenge within the Bill that may relate to pension fund matters.

Further debate was had around the practicalities and moral implications of the Bill. It was noted that the Bill would not result in personal liability for an individual but as a collective decision.

MPF officers asked whether the limitation on personal liability extended to officers. SPB advised that they would expect the protections for elected members would extend to officers, but more clarity should be sought.

3. Stewardship and Defence: Redington

Paul Lee, Jill Davies and Ellen Welford presented to members on the below topics:

- Framing and stewardship investment decision making
- The defence industry
- Approaches to exclusion
- Existing approach
- Approach in a wider context
- Practicalities

The issue was raised of increasing complexity and challenges within new legislation related to responsible investing. Further dialogue developed around the need for an

appropriate. framework to engage and influence on responsible investing and the importance of being able to relay such a framework to members who have concerns.

The Committee also highlighted the importance of balancing the Fund's fiduciary responsibility of investment returns alongside appropriate social and responsible aims and the implications of disinvestment versus engagement.

MPF officers elaborated on the discussion by highlighting the responsible investment survey results and how this may feed into a relevant approach to ESG considerations and decision making. There was further debate on the ambiguity and potential bias around the scoring of investments from different ESG lenses.

Officers were requested to collate performance information on the defence companies included in the report for the subsequent RI working party.

4. Stewardship GAP Analysis: Redington

Paul Lee, Jill Davies and Ellen Welford presented to members on the below topics

- UK Stewardship Code 2020
- Aims
- Becoming a signatory of the code
- Report details
- RAG progress

Questions were raised around the potential time commitment and complexity of joining and adhering to the Stewardship Code. There was further discussion of the nuances around index and passive fund investments in conjunction with compliance with the Code.

The committee sought clarity on potential timelines for the Fund becoming a signatory to the stewardship code alongside having an appropriate engagement framework in respect of defence-related investments.