

RIWP 19th February 2025

Name	Initials	Organisation
Councillor Brenda Hall (Chair)	BH	WBC
Councillor Ann Ainsworth	AA	WBC
Councillor Chris Carubia	CC	WBC
Councillor George Davies	GD	WBC
Councillor Jeff Green	JG	WBC
Councillor Brian Kenny	BK	WBC
Councillor Ruth Molyneux	RM	WBC
Councillor Sue Powell-Wilde	SPW	WBC
Councillor Christine Howard	CH	Sefton
Roger Bannister	RB	UNISON
Peter Jewell	PJ	WBC
Edina Molinar	EM	Redington
Jill Davys	JD	Redington
Mark Wilson	MW	Mercer
Paul Watson	PWt	Independent Advisor
Rohan Worrall	RW	Independent Advisor
Peter Wallach	PWI	MPF
Allister Goulding	AG	MPF
Owen Thorne	OT	MPF
Greg Campbell	GC	MPF
Alex Abela-Stevenson	AAS	MPF
Susannah Friar	SF	MPF
Emma Littler	EL	MPF
Ciaran Sharp	CS	MPF
Neil Gill	NG	MPF
Beth Breen	BB	MPF
Dragos Serbanica	DS	MPF
Adil Manzoor	AM	MPF
Dan Proudfoot	DP	MPF
Yvonne Murphy	YM	MPF

1. Welcome, Introduction & Apologies

No apologies.

2. Incorporation of Climate in Actuarial Valuation: Mercer

Mark Wilson from Mercer presented on how the 2025 actuarial valuation will account for climate risk in liabilities and contributions. The presentation included:

- Actuarial valuation – integrating climate risks
- Climate scenarios
- Model limitations

Mention was made regarding the criticism that standard climate scenario models tend to understate potential risks. In response, it was explained that the models are regularly updated to improve granularity and better reflect the cumulative impact of climate factors.

A question was raised about green investments - specifically, how confident can members be that the Fund's investments are making a positive impact. It was explained that Mercer's analysis is based on the Fund's strategy and future plans, with a focus on accuracy, but the Fund's investment advisors would be better placed to provide an answer.

It was asked if the discount rate could be broken down by individual asset classes. Mercer confirmed that more detailed assumptions could be shared and Redington noted that they could also provide further detail on this.

3. Draft Workplan 2025/26: Redington

Jill Davys from Redington presented the draft work plan for the upcoming year. The presentation included:

- Dates and indicative RIWP draft workplan

Flexibility to adapt the plan as needed was emphasised. No further questions were raised.

4. Stewardship Code Update: Redington

Jill Davys and Edina Molinar from Redington delivered a presentation updating attendees on the Fund's stewardship efforts. The presentation included:

- MPF Stewardship Code – Outcome
- Stewardship Code 2024 – Feedback
- Stewardship Code – FRC consultation on proposed changes

The Fund's successful application to become a signatory of the UK Stewardship Code was noted.

In relation to voting policy, discussions with PIRC are ongoing regarding updates to their voting policy, particularly on how escalation is addressed within their voting recommendations. The Fund is also in the process of implementing pass-through voting for State Street index-tracking funds.

For the next Stewardship Code submission in October, a draft incorporating the feedback from the FRC will be presented for member approval.

A question was raised about the percentage of the portfolio where the Fund does not have discretion over voting policy. It was confirmed that this currently applies to approximately a quarter of listed equities.

A report on defence companies will be presented at either the next IMWP or RIWP meeting, depending on finalisation.

5. Asset Owner Statement on Climate Stewardship: Owen Thorne

Owen Thorne from MPF presented on MPF's participation in two collaborative actions. The presentation included:

- PLSA response to the FRC's Stewardship Code consultation
- Asset owners' statement on climate stewardship

A question was raised about whether the Fund would need to make changes if the FRC does not update the suggested amendments. It was clarified that in Officers' view the proposed & unamended change in the stewardship definition weakens the effectiveness of the Code; it remains voluntary. The implications arising from proposed regulatory changes, particularly in the UK & US, to stimulate economic growth was also raised and whether it had implications for the implementation of MPF's investment strategy.

It was also asked whether the Fund is an outlier in its response to the FRC consultation. It was noted that there has been significant pushback from UK asset owners, meaning the Fund is not alone in its position.

Regarding whether the Fund's endorsement of the PLSA response has been made public, it will be checked with the PLSA, but it is expected that the endorsement will be publicly acknowledged.