

Scheme Advisory Board

HYBRID MEETING – 22 July 2024

ITEM 15 – PAPER H

INVESTMENT COMMITTEE CHAIR'S REPORT – 8th July 2024

Code of Transparency data system

1. The Committee noted the work done by the Secretariat team to address non-compliance with the Code by signatories. While overall the compliance rate remained high, there were some investment managers whose standards had slipped. The Committee re-iterated the importance of ensuring that funds continue to get the information due under the Code.
2. The Committee also considered a confidential paper outlining progress with the ongoing project to determine the longer-term future of the Code of Transparency data system. An updated project plan was presented to the Committee along with an update on the work being undertaken in the current phase of the project. A separate confidential paper has been submitted to the Board on this (Item 9 on the agenda).

Responsible Investment Advisory Group (RIAG) Report

3. The Group heard from the Pensions Regulator (TPR) on their findings from reviewing the second year of TCFD private sector reports.
4. The Group discussed its Terms of Reference (ToR), scope and workplan. The Group felt that the RI A-Z guide, established in 2021, could be replaced with information signposting a selection of useful resources.
5. The Group also agreed to have at a future meeting a more in-depth discussion of the evolving concept of the fiduciary duty. Given the different expectations between those running the scheme and making investment decisions, and those lobbying it, the Group recommended that the Board should make a statement on how best to support officers and elected members who are facing increasing amounts of challenge about investment decisions – which sometimes borders on unacceptable verbal abuse.

Recommendation – that the Board agrees to make a statement on how to deal with lobbying on RI issues and asks the RIAG to consider this matter further.
