

## Pension Board Submission to the Dyfed Pension Fund Committee

To: Dyfed Pension Fund Committee

From: John Jones Independent Chair Dyfed Pension Board

Date: 19 September 2024

1. The Pension Board held a hybrid meeting on 24<sup>th</sup> July 2024. The meeting was re-arranged as the previous date for the meeting coincided with the date of the General Election. The main items on the agenda were consideration of the Budget monitoring statement for the year to 31<sup>st</sup> March 2024, a review of the risk register and a discussion on progress in reducing the Carbon Intensity of the Fund's equity investments. The meeting was attended in the room or online by 6 of the 7 Board members. Councillor Elwyn Williams was also present as an observer.
2. During consideration of the minutes from the previous meeting, there were questions and a discussion around progress on the issues raised by the Bute investment. This has been referred to the Pension Committee and is scheduled for today's agenda.
3. There was a discussion and some questions raised on the monitoring statement for the year to end March 2024, in particular on future employer contribution rates and additional transition costs. Questions were also asked on the level of debtors and creditors shown in the cash flow statement. It was confirmed that these are all short term transactions.
4. The pensions administration report was reviewed. There was a full discussion on the timetable and issues raised to implement the new dashboard requirements. The Board were also assured that sufficient resources would be put in place to deliver the new requirements.
5. The Board welcomed the updated and new format for the risk register and, in line with the new approach, the Governance and Regulatory section of the register was reviewed in detail. Questions were asked about the possibility of taking further action to reduce the risk levels in G7 and G8 of the register, and what steps are taken to ensure that passwords are changed every 60 days as set

out in risk G1. The risk register is a key document in the overall governance of the Fund and the Board will review the next section of the register in detail at its next meeting.

6. The progress monitoring report in the reduction of the carbon intensity of the Fund's equity investments and the performance of the Fund against the benchmark was welcomed. Questions were asked about the rate of progress in continuing to reduce the level of carbon intensity. The Board will continue to review progress at future meetings.
7. The report from the Wales Pension Partnership (WPP) on responsible investment was discussed by the Board. The new format including a summary of activity was welcomed and questions asked about the investment in Tyson Foods.
8. Finally, the Independent Investment Adviser explained the recent performance of the Fund. Questions were asked about the performance of the Global Growth Equity Fund and the steps being taken to address this issue. The Board were also updated on proposals from the WPP for a new property mandate.

John Jones  
1st August 2024