

TfL Pension Consultative Council (PCC)

Summary of minutes of meeting number 99 held on 11 May 2017

Report of Trustee Board Meeting held on 31 March 2017

It was reported the Fund's new investment strategy is for a greater proportion of the Assets to be diversified into Alternative investments, through the disinvestment over the next three years of up to £850m from the Fund's Equities and Bonds Portfolio.

The Board agreed to terminate Wellington's mandate as a bond manager and would be replaced with an emerging markets Hard Currency Debt manager later on in the year.

Minor changes were made in an update to the Statement of Investment Principles, which would now go to TfL for comment before being uploaded to the Fund's website.

The Alternatives and Liability Hedging Committee agreed to invest \$100m in a Goldman Sachs Real Estate Credit vehicle.

It was decided to issue a termination notice to Och-Ziff.

The Board discussed its responsibilities in relation to Environmental and Social Governance (ESG) and the work undertaken by the Fund, now it has signed up to the UN Principles of Responsible Investment (UNPRI). The subject is likely to take up additional space on future agendas. ESG concerns will be noted and action taken where appropriate in line with the Trustees' responsibilities.

The Funding Level had improved significantly from 88.5% to 94.8% over the quarter, due to the positive overall performance of the Fund's assets and a fall in the value of the Fund's liabilities.

TfL Administration Report for the quarter ended 31 December 2016

The PCC noted the service provider's report to the Trustees of the TfL Pension Fund.

2017 Election Process

It was reported that Mr Amos and Ms Arwood were due to retire from Section One, Ms Davies from Section Two with Mr Harding and Ms McAllister from Section Three.

The announcement for nominations would begin in July.

Missing Membership Update

An annual update on the developments in the past year was presented to the Council. It highlighted the changes over the year and explained the membership categories to the new Councillors. It was confirmed that this exercise remained open.

Pensioners' Forum Minutes for Meeting held on 14 February 2017

These were noted.

Minutes of PWG meeting held 23 November 2016

These were noted