

## Wales Pension Partnership (WPP) - JGC Update

JGC meeting date: Wednesday 13 December 2023

Location: Virtual meeting

Chair: Cllr Ted Palmer, Clwyd

Vice Chair: Cllr Elwyn Williams, Dyfed

Agenda item	Detail
Host Authority update	<p>Anthony Parnell of the Host Authority provided an update in relation to work that has been completed since the last JGC meeting and WPP's next steps / priorities.</p> <p>Operator contract - the Invitation to Tender was issued on 16 October 2023 and closed on 20 November 2023. The WPP are currently evaluating the submissions received.</p> <p>The procurement exercise for the Real Estate managers is also underway with the Pre-qualification Questionnaire issued on 17 November 2023. The recommendation report is due to go to the July 2024 JGC for approval, with the contract being awarded in August 2024.</p> <p>Anthony also presented the 2023/24 Business Plan update as at 30 September 2023 (attached).</p>
Risk Register Q4 2023 Review	<p>The OWG is responsible for maintaining the WPP Risk Register and reporting back any changes or developments to the JGC on a quarterly basis. The OWG has a dedicated Risk Sub-Group to take ownership of the Risk Register and the quarterly review of the document.</p> <p>During Q4 2023, a review has taken place of the Investment Risks.</p> <p>Hymans presented the changes which were approved by the JGC. The Risk Register has been uploaded on the WPP website.</p>

<p>Policy Reviews:</p> <ul style="list-style-type: none"> <li>• Training Policy</li> <li>• Rebalancing &amp; Alteration Policy</li> </ul>	<p>The WPP have approved several policies / plans which are to be reviewed on a regular basis. This quarter, the OWG have undertaken a review of the Training Policy and Rebalancing &amp; Alteration Policy.</p> <p>The Training Policy outlines WPP's approach to training and requirements. Following this review, the policy has been updated to reflect the method that training needs are identified.</p> <p>The Rebalancing and Alteration policy sets out WPP's approach to rebalancing the assets held within the pools' sub-funds. The policy outlines the framework that has put in place to ensure that manager allocations within sub-funds are monitored and rebalanced where appropriate. During this review, the policy has been updated to take account of the Private Market mandates.</p> <p>The updated policies were approved and have been uploaded on the WPP website.</p> <p>There were no new policies this quarter.</p>
<p>Operator Update</p>	<p>The sale of Link Fund Solutions to Waystone Management (UK) Limited (Waystone) completed on 9th October 2023. Waystone presented their quarterly update report as at 30 September 2023 (attached). This report provides market updates, details of WPP's current sub fund holdings, as well as a corporate and engagement update.</p>
<p>Performance Reports as at 30 September 2023</p>	<p>Russell Investments presented a Q3 2023 performance summary paper (attached) summarising the performance of each individual ACS sub fund for the quarter ending 30 September 2023.</p>
<p><b>Exempt Items</b> – the following items were discussed during the non-public part of the meeting.</p>	
<p>Securities Lending Report as at 30 September 2023</p>	<p>Stock Lending commenced in March 2020 and Northern Trust presented the Securities Lending Report for Q3 2023 (quarter ending 30 September 2023).</p>

Robeco Engagement Report – Q3 2023	In March 2020, Robeco was appointed as WPP’s Voting & Engagement Provider to undertake Voting and Engagement functions on behalf of the WPP. Robeco commenced their engagement service in April 2020, and they have provided an engagement report for Quarter 3 2023 (quarter ending 30 September 2023). The engagement theme chosen for this quarter was Net Zero Carbon Emissions.
Responsible Investment and Climate Risk reports	<p>Each quarter, Hymans Robertson produce quarterly Responsible Investment &amp; Climate Risk Reports for WPP’s sub funds.</p> <p>For Quarter 3 2023 (quarter ending 30 September 2023), the Emerging Markets and UK Opportunities reports were produced.</p> <p>Hymans presented the reports to the JGC members.</p>
All-Wales Climate Report	<p>Hymans Robertson have drafted an all-Wales climate report which provides an assessment of climate risks across the pool, including recommendations to be considered. This report was presented to the JGC.</p> <p>A public facing version of the report will be issued in the new year.</p>

Webcast link for the 13 December 2023 JGC meeting below:

[Agenda for Wales Pension Partnership Joint Governance Committee on Wednesday, 13th December, 2023, 10.00 am](#)

WPP’s website address - [Wales Pension Fund | Home \(walespensionpartnership.org\)](https://walespensionpartnership.org)

Next meeting:

- Wednesday 13 March 2024 – Hybrid meeting, hosted by Powys