



Wales Pension Partnership  
Joint Governance Committee  
Q3 2023 review – 13 December 2023



# Market Updates

## Acquisition Complete

As discussed since the last Joint Governance Committee on 20 September 2023;

The Sale to Waystone Management (UK) Limited (WMUK) completed on 9<sup>th</sup> October 2023

Waystone is the leading provider of institutional governance, risk and compliance services to the asset management industry.

Partnering institutional investors, investment funds and asset managers Waystone builds, supports and protects investment structures and strategies worldwide. With over 20 years' experience and a comprehensive range of specialist services to its name, Waystone is now supporting asset managers with more than US\$2Tn in AUM

Waystone provides its clients with the guidance and tools to allow them to focus on managing their investment goals with confidence

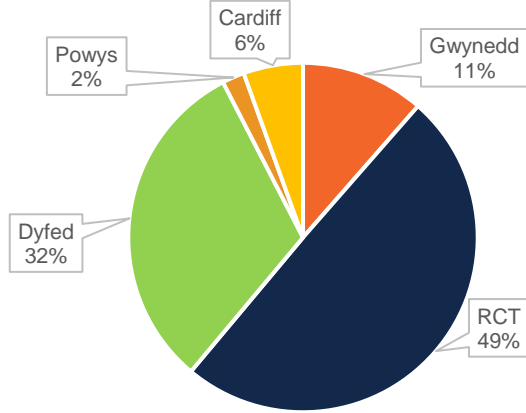
# September 2023 WS Wales PP Fund Summary AUM

<b>Fund</b>	<b>AUM</b>	<b>Inception date</b>
Global Growth	£3,134,315,780	6th Feb 2019
Global Opportunities	£2,911,502,397	14th Feb 2019
UK Opportunities	£775,493,564	10th Oct 2019
Multi Asset Credit	£463,462,906	12th Aug 2020
Emerging Markets	£677,376,333	20th Oct 2021
Global Credit	£857,063,502	21st Aug 2020
Global Government Bond	£577,072,879	20th Aug 2020
Absolute Return Bond	£517,323,204	30th Sept 2020
Sterling Credit	£357,077,225	19th Aug 2020
Sustainable Active Equity Fund	£1,259,811,721	20th June 2023
<b>Total Active Investments</b>	<b>£11,530,499,511 as at 30 September 2023</b>	

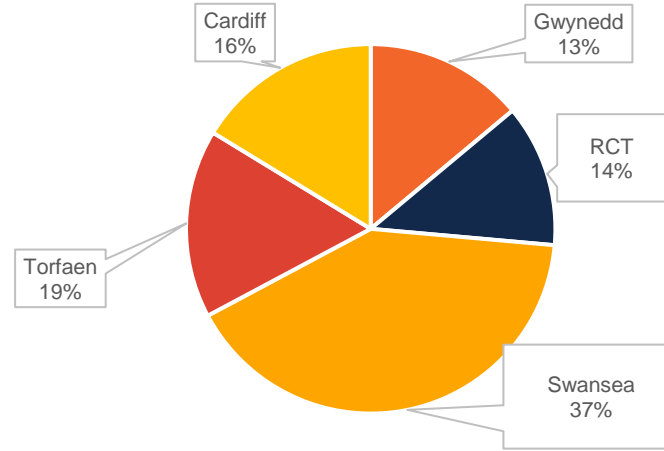
# September 2023 Fund Snapshot - Equities

- Key:
- Dyfed
  - Powys
  - Gwynedd
  - RCT
  - Torfaen
  - Clwyd
  - Swansea
  - Cardiff

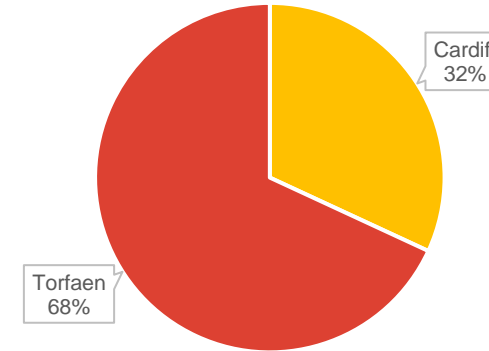
## Global Growth



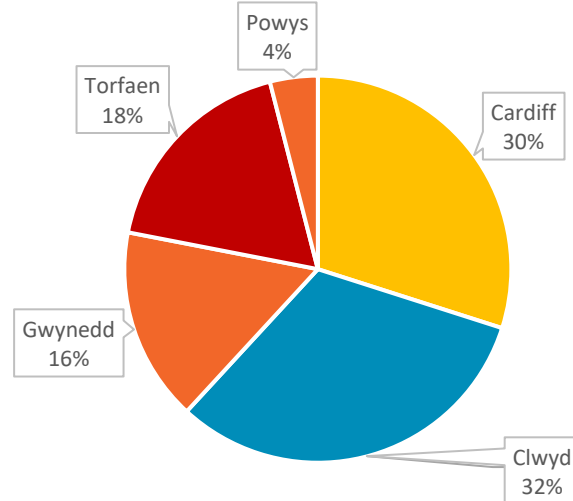
## Global Opportunities



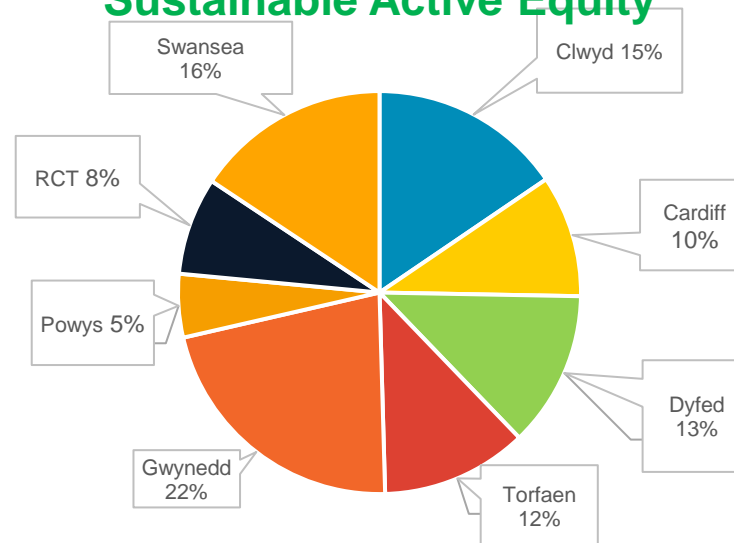
## UK Opportunities



## Emerging Markets

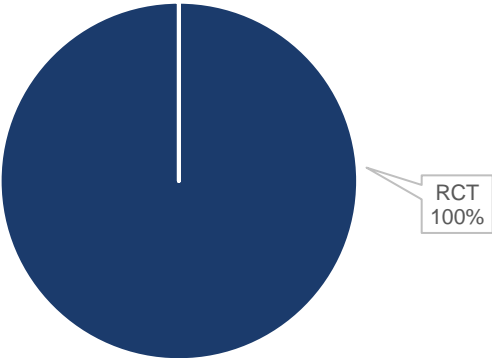


## Sustainable Active Equity

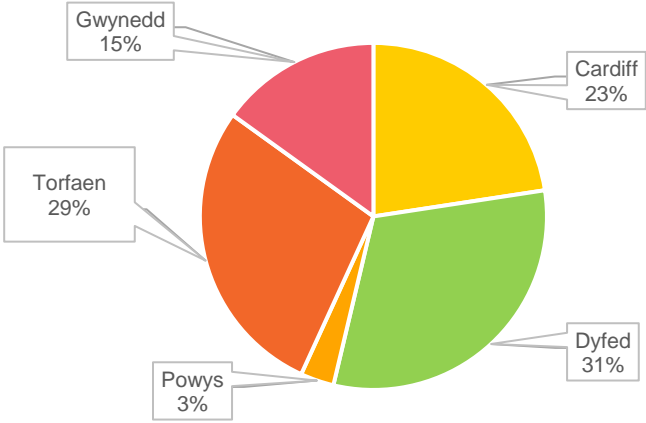


# September 2023 Fund Snapshot - Fixed Income

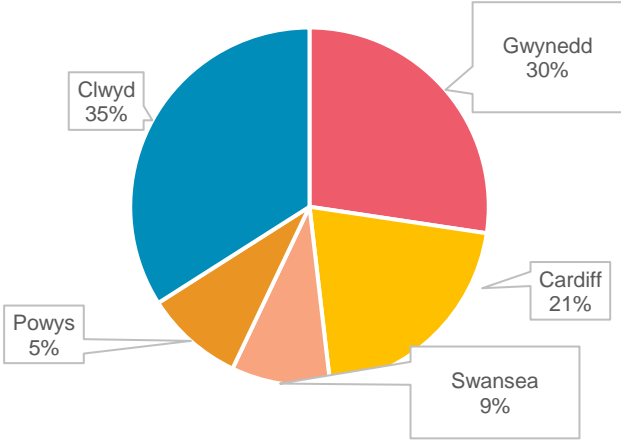
**Sterling Credit**



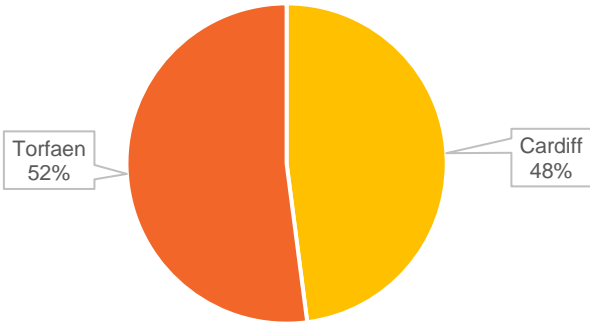
**Global Credit**



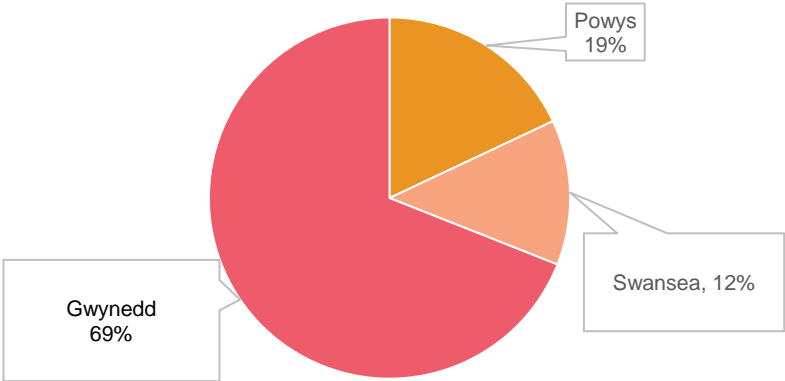
**Multi Asset Credit**



**Global Gov. Bond**








**Absolute Return Bond**







- Key:
- Dyfed
  - Powys
  - Gwynedd
  - RCT
  - Torfaen
  - Clwyd
  - Swansea
  - Cardiff

# Sub-Funds Update

## Fund Launches & Changes

	Activity	Status	Commentary
<b>Completed Fund Launches &amp; Changes</b>	N/a		N/a
<b>Ongoing Fund Launches &amp; Changes</b>	Addition of Robeco to the Global Credit fund, removal of T Rowe Price		New Investment Manager 'Robeco' to be implemented Q3 2023. This is now expected to be Q1 2024"
	Addition of New Investment Manager to the Global Growth Fund, as an addition to current Managers		Proposed addition new manager to be discussed with Host and Hymans before sharing with Constituent Authorities with rationale behind the change – Live date to be confirmed
	Manager Changes on UK Opportunities Fund		WS WPP UK Opportunities Fund - Terminate Lazard and Majedie UK Core, hire Fidelity, and increase the weight to Liontrust UK CF Solution, JO Hambro UK Dynamic and Ninety-One UK Value - Live date 16 October
	Manager Changes on Absolute Return Bond Fund		WS WPP Absolute Return Bond Fund - Terminate Putnam and increase the weightings of Wellington, Insight and Aegon - Live date 16 October
	Cash Yield Options for current fund range		Cash Yield Options currently being investigated by WMUK Governance.





Status key:

	Completed or already in place
	On target;
	Delay Expected;
	Not Applicable

# Market Updates

Market Updates			
	Activity	Status	Commentary
<b>Russia / Ukraine</b>	Impact to ACS sub-funds holding Russian companies	✓	WMUK continue to monitor the situation and will advise Constituent Authorities of any developments. Our Fair Value Pricing Committee regularly discuss, and assets are still priced accordingly. All WPP Funds holding no Russian companies
<b>Middle East</b>	Impact to ACS sub-funds holding Israeli companies	✓	Currently 10 securities held in Israeli companies across four sub funds; Global Government Bond Fund, Multi Asset Credit Fund, Global Credit Fund & Global Opps Equity Fund with a value of approx. £11.8m. Situation currently being monitored as part of the BAU oversight process

## Status key:

	Completed or already in place
	On target;
	Delay Expected;
	Not Applicable

# WMUK Corporate Update & Engagement

## Key Q3 and future WPP Engagement

### **Waystone attendance at OWG/JGC meetings in period:**

- WPP JGC 19 July 2023
- OWG 24 July 2023
- WPP JGC 20 September 2023

### **Waystone attendance at OWG/JGC meetings in next quarter:**

- OWG 24 October 2023
- WPP JGC 13 December 2023

### **Waystone - Pension Committee attendance in period:**

### **Waystone - Pension Committee attendance in next quarter :**

- Powys Pensions and Investment Committee meeting – 6 October 2023

### **Other meetings in period**

- Host Authority update – occurs bi-weekly
- Strategic Relationship Review – 20 September 2023

### **Other meetings in next quarter**

- Host Authority update – occurs bi-weekly
- Pension Board Chairs Engagement Meeting - 3 October 2023
- WPP briefing / training session – (second session)



# WMUK Engagement Protocol – Business as Usual

Strategic Relationship Review	Frequency	Objective
<p><b>WPP Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Chris Moore</li> <li>▪ Anthony Parnell</li> <li>▪ Two Section 151 / Deputy Section 151 officers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bi-annual</li> </ul>	<p><b>Waystone Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Karl Midl, Country Head, UK and CEO</li> <li>▪ Richard Thornton, Head of Relationship Management, Asset Owners</li> </ul>
JGC Engagement	Frequency	Objective
<p><b>WPP Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Joint Governance Committee (JGC)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly</li> </ul>	<p><b>Waystone Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Karl Midl, Country Head, UK and CEO / Adam Tookey, Head of Product – as required</li> <li>▪ Richard Thornton, Head of Relationship Management, Asset Owners</li> <li>▪ James Zealander, Senior Relationship Manager</li> <li>▪ Russell Investments</li> </ul>
OWG Engagement	Frequency	Objective
<p><b>WPP Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Officers Working Group (OWG)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly</li> </ul>	<p><b>Waystone Attendees</b></p> <ul style="list-style-type: none"> <li>▪ James Zealander, Senior Relationship Manager</li> <li>▪ Richard Thornton, Head of Relationship Management, Asset Owners</li> <li>▪ Heidi Robinson, Relationship Managers (as required)</li> <li>▪ Ad-hoc Link attendance from functional departments: Investment Management Oversight, Tax, Compliance, Product, etc.</li> <li>▪ Russell Investments</li> </ul>

Note: Meetings may be conducted remotely and/or amalgamated where required.

# WMUK Engagement Protocol continued...

Host Authority Update	Frequency	Objective
<p><b>WPP Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Anthony Parnell</li> <li>▪ Tracey Williams</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bi-Weekly</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regular Host Authority – WMUK to discuss deliverables and business updates</li> <li>▪ Richard Thornton, Head of Relationship Management, Asset Owners</li> <li>▪ James Zealander, Senior Relationship Manager</li> <li>▪ Heidi Robinson, Relationship Managers (as required)</li> <li>▪ Clair Baguley, Client Service Manager (as required)</li> </ul>
Pension Fund Committees	Frequency	Objective
<ul style="list-style-type: none"> <li>▪ Individual Pension Fund Committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annual</li> </ul>	<ul style="list-style-type: none"> <li>▪ General update on the ACS and planned initiatives</li> <li>▪ Richard Thornton, Head of Relationship Management, Asset Owners</li> <li>▪ James Zealander, Senior Relationship Manager</li> <li>▪ Heidi Robinson, Relationship Managers (as required)</li> <li>▪ Russell Investments</li> </ul>
Manager Engagement Days	Objective	
<ul style="list-style-type: none"> <li>▪ Open to all involved parties</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annual</li> <li>▪ Open day for presentations on strategy and performance (with IM)</li> <li>▪ Waystone Client Team</li> <li>▪ Northern Trust</li> <li>▪ Russell Investments and other Investment Managers</li> <li>▪ Other consultants as required (e.g. bFinance)</li> </ul>	
Pension Board Engagement	Frequency	Objective
<p><b>WPP Attendees</b></p> <ul style="list-style-type: none"> <li>▪ Chairpersons of the Constituent Authorities</li> <li>▪ Host Authority</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bi-Annual</li> </ul>	<ul style="list-style-type: none"> <li>▪ General update on the ACS and planned initiatives</li> <li>▪ Waystone Client Team</li> <li>▪ Russell Investments</li> </ul>

# Thank you

## Relationship Managers

Name: James Zealander  
Role: Senior Relationship Manager  
Number: +44 (0)7522 348 474  
Email: [James.Zealander@linkgroup.co.uk](mailto:James.Zealander@linkgroup.co.uk)

Heidi Robinson  
Relationship Manager  
+44 (0) 7843 804917  
[Heidi.Robinson@linkgroup.co.uk](mailto:Heidi.Robinson@linkgroup.co.uk)

## Head of Client Relations

Name: Richard Thornton  
Role: Head of Relationship Management – Asset Owners  
Number: +44 (0) 7765 220277  
Email: [Richard.Thornton@linkgroup.co.uk](mailto:Richard.Thornton@linkgroup.co.uk)

## Executive Contact

Name: Karl Midl  
Role: Country Head, UK and CEO  
Number: +44 (0)7951 266225  
Email: [karl.midl@linkgroup.co.uk](mailto:karl.midl@linkgroup.co.uk)

