

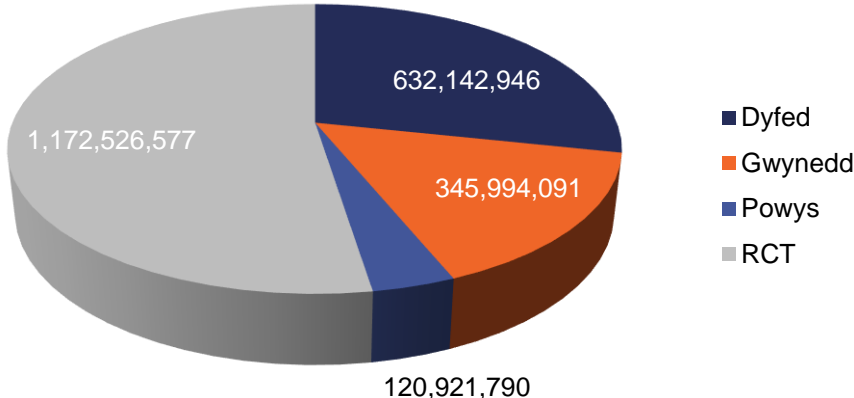
# WPP JGC

September 20<sup>th</sup> 2019

Torfaen

# Current LF Wales PP Fund Holdings

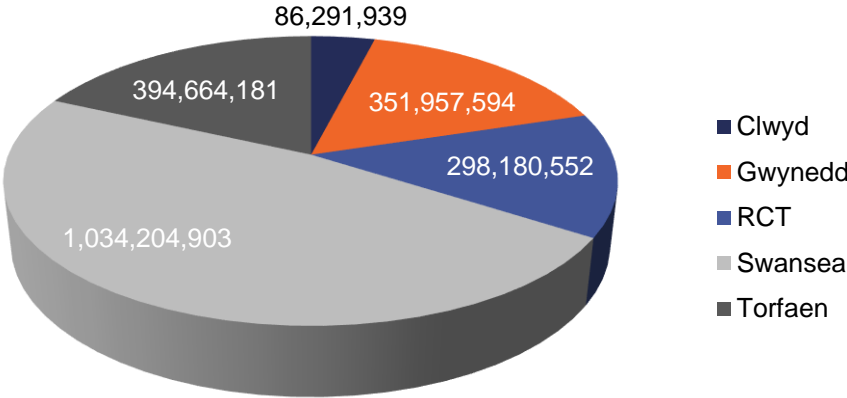
## Global Growth Equity



**£2,271,585,404**

AUM as at 31st August 2019

## Global Opportunities Equity



**£2,165,299,169**

AUM as at 31st August 2019

# Fund Launch Progress Report

Tranche 2, 3 & 4 updates



Part of **Link Group**

# Key Milestones

Task	Date	RAG	Comment/Responsible
Agree Funds – <b>Tranche 2</b>	25/07/18	C	Two funds agreed UK Equity and European ex UK Equity
Approval of Fund Prospectus	05/10/18	C	
FCA Submission – Tranche 2	18/01/19	C	FCA approval received 22 <sup>nd</sup> February, agreeing launch date with intended investors
Securities Lending prospectus update	09/09/19	G	Prospectus submitted to FCA for approval
Operational Setup	Aug 2019	C	NT – Russell – Link operational setup complete
Transition Manager approval	Aug 2019	C	Russell Investments appointed as TM
Fund Launch – Tranche 2	23/09/19	G	
Agree Funds – <b>Tranche 3</b>	28/06/19	G	Four Russell Managed Fixed Income sub funds: Global Credit , Global Government Bond, Absolute Return Bond and Multi Asset Credit fund structures approved by JGC in March and finalised manager line-up and fee proposal approved in June Additional UK Credit fund provisionally approved by OWG in August, final approval is expected by the JGC in September
Transition Advisor appointment	02/09/19	C	Hymans appointed as Transition Advisor
Transition Manager appointment	25/09/19	A	RFP to be drafted and distributed to the potential managers
FCA Submission – Tranche 3	26/09/19	A	Target date contingent on TM appointment and completion of scheme documentation for the UK Credit fund
Fund Launch – Tranche 3	10/12/19	A	Dependent on market openings, FCA Submission, NT availability

# Progress to date

## **Tranche 2 (UK and European Equities)**

- FCA approval received 22<sup>nd</sup> February 2019
- Advice received from Torfaen that the Europe Ex-UK fund is unlikely to be launched due to a strategy change
- Launch date for UK Equity fund confirmed with all parties for 23<sup>rd</sup> September 2019
- Russell Investments appointed as Transition Manager for UK Equity fund – transition plan on track for 23<sup>rd</sup> September 2019 launch

## **Tranche 3 (Fixed Income)**

- Fund structure, manager line-up and fee proposals approved by JGC
- UK Credit fund to be approved by JGC on 20<sup>th</sup> September 2019
- WPP have appointed Hymans as Transition Advisor who will be involved in the selection process for a Fixed Income Transition Manager
- Fund launch is targeted for 10<sup>th</sup> December 2019 but is contingent on the Transition Manager being appointed, completion of scheme documentation, market openings, FCA submission and NT availability

## **Tranche 4 (Private Markets)**

- First Private Markets Sub-Group meeting held 26<sup>th</sup> July 2019 - Russell Investments / bfinance proposal presented
- WPP to consider reviewing the proposed model to segregate a Real Estate Fund from the “outcomes based solution”

# Link Engagement Protocol

## Wales Pension Partnership



# Link Engagement Protocol

## Business as Usual

Strategic Relationship Review	Frequency	Objective
	<ul style="list-style-type: none"><li>▪ Bi-annual</li></ul>	<ul style="list-style-type: none"><li>▪ Ensure strategic alignment between Host Authority and Link</li></ul>
<b>WPP Attendees</b> <ul style="list-style-type: none"><li>▪ Chris Moore</li><li>▪ Anthony Parnell</li><li>▪ Two Section 151 / Deputy Section 151 officers</li></ul>		<b>Link Attendees</b> <ul style="list-style-type: none"><li>▪ Karl Midl, Managing Director</li><li>▪ Duncan Lowman, Head of Client Coverage</li></ul>
JGC Engagement	Frequency	Objective
	<ul style="list-style-type: none"><li>▪ Quarterly</li></ul>	<ul style="list-style-type: none"><li>▪ Engage with JGC on pertinent matters and strategic deliverables</li></ul>
<b>WPP Attendees</b> <ul style="list-style-type: none"><li>▪ Joint Governance Committee (JGC)</li></ul>		<b>Link Attendees</b> <ul style="list-style-type: none"><li>▪ Karl Midl, Managing Director / Duncan Lowman, Head of Client Coverage</li><li>▪ Eamonn Gough, Senior Relationship Manager</li><li>▪ Denise Jones, Head of Change Management</li></ul>
OWG Engagement	Frequency	Objective
	<ul style="list-style-type: none"><li>▪ Every 2 Months</li></ul>	<ul style="list-style-type: none"><li>▪ Identify and deliver on opportunities to improve and expand the relationship</li><li>▪ Provide update on open projects or issues</li><li>▪ Monthly KPI Review (Data supplied monthly)</li></ul>
<b>WPP Attendees</b> <ul style="list-style-type: none"><li>▪ Officers Working Group (OWG)</li></ul>		<b>Link Attendees</b> <ul style="list-style-type: none"><li>▪ Duncan Lowman, Head of Client Coverage</li><li>▪ Eamonn Gough, Senior Relationship Manager</li><li>▪ Ada Wabara, Relationship Manager (as required)</li><li>▪ Denise Jones, Head of Change Management (as required)</li><li>▪ Sheetal Shetty, Client Service Manager (as required)</li><li>▪ Ad-hoc Link attendance from functional departments: Tax, Compliance, Product, etc.</li><li>▪ Investment Manager (ad-hoc if required for operational issues)</li></ul>

Note: The OWG Engagement and Monthly KPI meetings may be conducted remotely and/or amalgamated where required.

# Link Engagement Protocol continued...

## Business as Usual

Annual Shareholder Day	Frequency	Objective
<ul style="list-style-type: none"> <li>Open to all involved parties</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> </ul>	<ul style="list-style-type: none"> <li>Open day for presentations on strategy and performance (with IM)</li> <li>Link Client Team</li> <li>Northern Trust</li> <li>Russell Investments and/or other consultants (e.g. Hymans, bFinance)</li> <li>Investment Managers</li> </ul>
Pension Fund Committees		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>Eamonn Gough, Senior Relationship Manager</li> <li>Ada Wabara, Relationship Manager</li> <li>Duncan Lowman, Head of Relationship Management</li> <li>Russell Investments</li> </ul>

## Key 2019/2020 Link - WPP Engagement

### Link attendance at Officers Working Group meetings:

- 6<sup>th</sup> June (Completed)
- 28<sup>th</sup> August (Completed)
- 8<sup>th</sup> November

### Ongoing project calls:

- Ongoing every two weeks - Thursday

### Link - Pension Committee attendance dates Sep to Dec (Link attendees to be confirmed):

- 18<sup>th</sup> September 2019 - Dyfed
- 4<sup>th</sup> October 2019 – Powys
- 21<sup>st</sup> November 2019- Swansea
- 28<sup>th</sup> November 2019- Clwyd
- 10<sup>th</sup> December 2019- Cardiff
- 16<sup>th</sup> December 2019- Torfaen
- 16<sup>th</sup> January 2020- Gwynedd
- 23<sup>rd</sup> March 2020 - RCT

### Strategic relationship review:

- 7<sup>th</sup> May (Completed)
- 7<sup>th</sup> June (completed)

### Link attendance at Pension Board Chairs meeting:

- 2<sup>nd</sup> April (Completed)

### Annual Shareholder Day:

- 19<sup>th</sup> September
- 12<sup>th</sup> November (provisional)